

**UNIVERSITY OF KWAZULU-NATAL**

**THE ROLE OF SOCIAL MEDIA MARKETING IN THE  
SMALL BUSINESS ENVIRONMENT IN eMKHONDO**

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Master of Commerce**

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## DECLARATION

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- Lastly, I would like to thank my children (the twins) Alistair and Archibald for their assistance with typing this whole project. Without their assistance, I would not have managed.

## **DEDICATION**

This work is dedicated to my family: my husband, Tawana Moyo, and my three sons, Brighton, Alistair and Archibald, who made it possible for me to undertake and successfully complete this study.

## ABSTRACT

Social media marketing has grown rapidly in recent years, with many businesses adopting it as a communication/marketing strategy. However, literature reveals that small businesses' adoption of social media marketing is very low compared to that of large organisations. Exploring the use and impact of social media marketing within small businesses is therefore a relevant and timely concern. This research sought to ascertain the extent to which small businesses in eMkhondo make use social media marketing, explore the benefits and contribution of social media marketing to these small businesses, and examine the challenges faced by these small businesses in implementing social media marketing.

Although social media marketing is a well-researched topic, literature revealed that this research is mainly about large organisations. The use of social media marketing by small businesses is very low; accordingly, knowledge about their current implementation of social media marketing is largely lacking. This study therefore addressed the gap of limited existing research concerning the usage of social media marketing by small businesses in South Africa.

The study followed an exploratory design which adopted a qualitative approach, in order to vividly unveil how and why small businesses utilise social media marketing. A sample of six purposively-selected small business owners/managers from eMkhondo participated in this study. In-depth semi-structured interviews were used to collect data about their usage and perceptions of social media marketing in their small businesses. Interviews were supplemented by analysis of the businesses' social media sites to provide more insight into their social media marketing efforts. Content and thematic analysis were used to analyse the data.

The main findings of the study depict that there is low level of social media marketing engagement and adoption among these small businesses, which participants attributed to lack of time and expertise in adopting social media marketing. Participants also acknowledged that social media marketing can be beneficial to their businesses, but that the challenges they face are detrimental to their success. Research revealed that Facebook is the most popular site for social media marketing amongst the participants. Platforms such as Twitter, Instagram and YouTube were regarded by participants as too sophisticated, as they need people with the knowhow to implement them.

**Keywords:** engagement, Social Exchange Theory, social media marketing, small businesses, SMME

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# **CHAPTER 1: INTRODUCTION AND OVERVIEW**

## **1.1 Introduction**

The concept of social media marketing has grown rapidly in recent years, due to the rate of adoption and penetration of social media around the world (Odhiambo 2012). The increased popularity of social media has completely changed the way many businesses and people communicate. Social media has renewed the ancient ways of decision-making of consumers and businesses (Neti 2011). Previous reports affirm that social media is used in firms as a marketing strategy that makes companies easily reachable by customers (Neti 2011). Social media has therefore become a prominent tool to create awareness and promote small businesses and their products.

According to Palmer and Lewis (2009), social media can be used primarily for communication purposes, whereby marketers and businesses can create long-term relationships with their customers. In this way, collaboration between marketers and customers is developed. This will facilitate the formation of communities or groups of people with common interests. Social media puts together the tools and services that facilitate relationships, experiences and discussions over the internet (McDaniel & Gates 2013). Social media marketing has empowered customers and has made them active participants in the market place (Chikandiwa 2013). Messages that are created on social media are shared and sent instantly and content updated promptly. Businesses are adopting social media in order to give them an advantage of reaching out to many customers in a cost-effective manner and to gain competitive advantage over their rivals (Constantinides 2014).

## **1.2 Background to the study**

Scholars and researchers seem to agree that consumers have become more informed and sophisticated with the advent of social media (Kaplan & Haenlein 2010). The social media era started approximately thirteen years ago (Pradiptarini 2011). It has now been just over a decade since its inception, and the social media phenomenon has in that time gained popularity and spread to many businesses and firms as part of their marketing efforts. Social media marketing is still quite new amongst many business practitioners and marketers (Chikandiwa 2013). The fact that social media marketing is a relatively new concept in businesses means that exploring the use and impact of social media marketing in small businesses is a relevant and timely concern. Social media provides communities, groups and

individuals with platforms for interaction. These platforms include Facebook, LinkedIn, YouTube and Twitter, to mention a few. According to recent statistics from the South African Social Media Landscape 2018 report (Patricios & Goldstuck 2018), Facebook has 16 million followers, Twitter has 8 million followers and YouTube has 8.64 million followers in South Africa, who use these platforms to communicate with other users globally. Traditional ways of communicating with customers, such as television advertisements and newspapers, seem to be becoming outdated today. Many businesses have now moved to where people are – that is, to social media - to do business. However, small businesses seem to be late adopters of social media marketing (Carter 2014).

Literature indicates that the flow and quality of content exchanged in social networks can generate benefits, trust, common purpose and co-ordination (Neti 2011). Previous research has established that social media relationships have embedded resources, opportunities and dividends as social capital (Lin 2001). On this premise, businesses and organisations can take advantage of social media to create value. This study explores the role of social media marketing in the small business context in the remote area of eMkhondo.

### **1.3 Research problem**

According to Rambe, Mosweunyane and Dansi (2010), social media marketing is a well-researched topic, but social media marketing usage by small businesses is very low. They assert that social media is used mainly by large organisations that tend to dominate the business environment. Accordingly, much of the research on social media marketing places emphasis on large organisations and their adoption of social media marketing, whereas little has been recorded about small businesses. Vasquez and Escamila (2014) assert that small businesses do not know the tools for today's technology, as they are not fully innovative and creative to adopt and implement social media marketing. Though there has been noted progress made by previous researchers (Oji, Iwu & Haydam 2017), investigation in the area of small business usage of social media marketing in South Africa is still limited. Current implementation and adoption of social media marketing by small business organisations is largely unknown (Rambe *et al.* 2014). Lekanya (2013) concurs, by stating that the usage of social media marketing is low amongst small businesses in rural KwaZulu-Natal. Van Scheers (2016) also states that limited research exists concerning the usage of social media marketing by Small, Medium and Micro Enterprises (SMMEs) in South Africa.

The situation outlined above points to a gap in literature, which served as a stimulus for this study. The research undertaken aimed to address this gap by exploring the usage, benefits and challenges of social media marketing among small businesses in eMkhondo.

#### **1.4 Research questions**

The following critical research questions guided the study:

- To what extent do small businesses in eMkhondo make use of social media marketing?
- What contribution does social media marketing make to small businesses in eMkhondo?
- What are the challenges faced by small businesses in eMkhondo in implementing social media marketing?

#### **1.5 Research objectives**

In line with the above questions, the objectives of the study were:

- To ascertain to what extent small businesses in eMkhondo utilise social media marketing.
- To explore the benefits and contribution made by social media marketing to small businesses in eMkhondo.
- To examine the challenges faced by small businesses in eMkhondo in implementing social media marketing.

#### **1.6 Methodology**

The study followed an exploratory research design, which is appropriate for an investigation that provides insight into a situation about which limited information currently exists (Creswell 2013). Social media marketing adoption by small businesses is a topic about which very few published articles are currently available (He *et al.* 2017), particularly in the South African context, which makes exploratory design appropriate for this study.

The study adopted a qualitative approach, in order to vividly unveil how and why small businesses utilise social media marketing. A qualitative approach allowed for in-depth exploration and understanding of small businesses' use of social media marketing. The researcher primarily used in-depth interviews, which were semi-structured, to collect data

about the usage and perceptions of social media marketing by small businesses. Interviews have the advantage of eliminating misunderstandings about questions, as the interviewer is available to provide clarification (Borg 1996). Interview data was supplemented by analysis of the participating businesses' social media sites, to provide additional insight into their social media marketing efforts.

A sample of six small business owners or managers from eMkhondo participated in this study. The type of sampling used was purposive sampling, where the researcher used her judgment and discretion to select the members of the sample. This type of sampling was considered to be the most appropriate type for the study because it allowed the researcher to select a sample based on the purpose of the study and knowledge of the population.

Thematic and content analysis were used to analyse the data gathered from the interviews and the businesses' social media sites respectively.

### **1.7 Significance of the study**

This research aimed to provide insight into the role of social media marketing in small businesses. The research further intended to make a contribution to knowledge in the area of social media marketing in small businesses, which is a topic that is under-researched in South Africa. There are small businesses, which are currently neutral about the implementation of social media (Lekhanya 2013), which may benefit if they shift from traditional marketing only to including social media marketing. Therefore, the study may also benefit organisations that are still growing with regard to adoption of social media marketing. The study may, in addition, provide a basis for further studies on social media marketing in the South African small business context.

### **1.8 Delimitation of the study**

The study was confined to six participants from one small town (eMkhondo, formerly Piet Retief), in one South African province (Mpumalanga). The research was limited to business owners or managers who have used at least one form of social media marketing in their businesses. The businesses had to be classified as small businesses.



## **1.9 Structure of the dissertation**

This chapter has briefly introduced the research topic, the central concepts, the research questions and objectives, and the research methodology and methods used.

In the next chapter, the surrounding literature and theoretical background of social media marketing is discussed. The role of social media, and how it can be used in marketing, is examined. Benefits and challenges faced by small businesses with regards to social media marketing are reviewed. The researcher utilises different sources (such as journal articles, research reports and books) to provide a solid theory base related to the study.

Chapter Three discusses and justifies the methodology used by the researcher in addressing the research problem. Methods which were used by previous researchers in the same field are also acknowledged.

The fourth chapter highlights and discusses the findings of the study. The chapter compares the findings of the current study to previous research, as covered in the literature review.

The final chapter summarises the main findings of the study, in relation to the study's research objectives. Conclusions are drawn and recommendations are made, based on the study's findings.

## **1.10 Conclusion**

This chapter provided an overview of the study, the background and a statement of the problem, and identified the questions and objectives that the study sought to address. The chapter also highlighted the significance of this study and outlined the methodology followed in undertaking the research.

The review of literature follows in the next chapter.

## **CHAPTER 2: LITERATURE REVIEW**

### **2.1 Introduction**

Social media marketing is a relatively new strategy that enables businesses to reach millions of customers at little cost (Khan & Jan 2015). It enables businesses to interact, form communities, network and build relationships with their customers (Gordhammer 2009). Human interactions and connections have been brought to high levels by social media (Christian *et al.*; Stefan, 2013).

This chapter comprises a review of the literature related to social media marketing. The objective is to put together the current knowledge and understanding of the topic through determining what other researchers and experts have to say about social media marketing. It therefore involves an appraisal of articles, books, research reports and journals related to the topic of social media marketing. Literature is examined in order to identify existing knowledge and theories pertinent to understanding the challenges, contribution, benefits and adoption of social media marketing by small businesses in particular. This examination also allows for gaps in existing knowledge to be identified.

### **2.2 Small businesses**

This section focuses on the definition and significance of small businesses, both internationally and in the context of South Africa.

#### **2.2.1 Small businesses defined**

Small businesses are defined differently around the world, by various countries and organisations. The World Bank defines small businesses using three quantitative criteria, namely, the number of employees in the business, total assets and annual sales. The World Bank regards businesses with between 10 and 20 employees, assets of between US \$100 000 and \$3 000 000, and total sales of between \$100 000 and \$3 000 000, as small businesses. On the other hand, the International Labour Organisation (ILO) suggests that small businesses are simply all businesses that are different from large organisations (Nichter & Goldmark 2009).

Chinje (2015) states that the definition of small businesses also varies from country to country. In Ghana, for example, SMMEs have been defined as companies comprising 10 or fewer employees and with a turnover of less than US \$23 700. Cox (2012) notes that, in the United States of America (USA), small businesses are defined as those with fewer than 500 employees.

According to Gujral (2016), small businesses in South Africa fall under the small, medium and micro enterprises (SMEs) categorisation. Van Scheers (2016) notes that the term 'SMME' is used interchangeably with 'SME'. Such businesses are categorised and distinguished from large organisations based on the number of employees, annual turnover and the assets owned (Oji *et al.* 2017).

Van Scheers (2016) makes reference to the South African National Small Businesses Act of 1996, which defines small businesses in South Africa as those that employ fewer than 50 employees. The above-mentioned author further describes small businesses as those that are privately owned and where the owner runs the day-to-day activities of the business, and states that businesses with a turnover of less than R2 million annually are regarded as small in South Africa.

In this study, the researcher regarded businesses with fewer than 50 employees as small businesses. This is in line with the Act, as noted above, as well as the definition of small business adopted by Oji *et al.* (2017) in their recent study of the use of social media marketing by tourism sector SMMEs in the Cape metropole. Even though Oji *et al.* (2017) focused on one industry (tourism), they considered the number of employees only, and not turnover, in deciding what constituted a small business in their study. In this study, the SMMEs were drawn from different industries and turnover was therefore not considered. Another reason for focusing only on the number of employees is that it is likely that SMME owners would have been reluctant to divulge information about turnover.

### **2.2.2 Significance of small businesses**

Small businesses play a vital role in many countries such as India, Brazil and the USA. In the USA, it was recognised that 99% of employers were small firms in the country, which make small businesses the pivot of American economy (Cox 2012). Similarly, in India and Brazil, both countries recognise the significance and contribution of small businesses in their rapidly growing economies. The thrust of small business policy in India and Brazil strengthens their

productivity sectors, which contributed to increases in GDP of 1,5% and 8% respectively between 1993 and 2013 (Groepe 2015).

The government of South Africa has raised the status of small businesses in the country by providing a budget of R1 billion in 2017 for small business development (Groepe 2017). The Minister of Small Business Development in South Africa, Lindiwe Zulu, estimated that there were 2,8 million small businesses in the country and acknowledged that 57% of the country's employment is created by these businesses (Zulu 2017). According to Van Scheers (2016), SMEs are vital in South Africa, as they complement the government's efforts to alleviate unemployment in the country. Nichter and Goldmark (2009) also concur with the above-mentioned author, by stating that the SME sector generates substantial employment and economic output in many countries. Small businesses are regarded as employment drivers and add to the prosperity of the South African population, as they contribute 52%–57% to the GDP of the country (Gujral 2016; Dahnil, Marzuki, Langgat and Fabeil 2014).

According to Zulu (2017), small businesses are the main drivers of economic growth, job creation and poverty alleviation. This has been proven globally in emerging economies such as Brazil, India and China. SMMs are diverse in nature as they cater for different needs of the population, since they operate in both the formal and informal sectors.

### **2.3 The social media concept**

Social media has gained popularity among consumers and organisations, with most social media platforms attracting large numbers of subscribers. Kaplan and Haenlein (2010:60) describe social media as “a group of internet-based applications that build on ideological and technological foundations of Web 2.0 and allow creation and exchange of user-generated content.” Other definitions of social media in the literature are closely related to the above definition. For example, He (2015:43) defines social media as “on-line technologies, practices or communities that people use to generate content and share opinions, insights, and experiences with each other”. Sinclair and Vogus (2011) describe social media as software tools that create content that is generated by users themselves, which can be shared with other users. Du Plessis (2010) also defines social media as content composed by individuals, formulated by the general public and not necessarily by paid professionals, and mainly disseminated through the internet. Neti (2011) puts it simply that social media is derived from two words, ‘social’ and ‘media’, where social refers to the interaction of individuals through media channels to communicate their ideas or information.

From the above definitions, it appears that literature agrees that social media involves individuals who generate their own content, which is shared amongst people. The content generated is in the form of ideas, opinions, experiences, photos, insights, and so on, which may be of interest to the group of people sharing this content. He (2017) noted that ‘social media’ is sometimes used interchangeably with ‘social networking sites’, but distinguishes that social media is the environment in which social networking takes place. Sinclair and Vogus (2011) concur, by stating that social media is a wide concept which uses web-based technologies to change communication into interactive dialogues.

Social media notably provides reciprocal communications between consumers and organisations. Consumers and organisations are increasingly using social media to communicate, share, discuss and collaborate with each other. A vast number of social media sites are available for organisations, including Facebook, MySpace, LinkedIn and Twitter (Odhiambo 2012). These social media sites can be used as communication tools which can influence and track customers’ beliefs and attributes. An overview of such sites is provided later in the chapter, in Section 2.3.3.

### **2.3.1 Social media characteristics**

Literature shows tentative agreement regarding the characteristics of social media. Authors such as Doyle, Sammon and Neville (2015), Odhiambo (2012), and Kaplan and Haenlein (2010) have all highlighted similar characteristics of social media. The common characteristics include joint simultaneous creation of content by individuals who share the content to interact, collaborate, and create content communities. The main characteristics of social media are outlined below.

#### ***Social interaction***

Social interaction occurs when there is a flow of interaction between participants involved in the social media site. Active participation of the users fosters a strong relationship between the participants. Meske and Stieglitz (2013) explain that this kind of social interaction makes human connections closer and more intimate for users. The social interactions enable individuals to form groups and communities at a later stage. Before the advent of social media marketing, social interaction between customers and businesses was limited (Sashi 2012). The aforementioned author explains further that the interaction brought about by social media is no longer restricted to a particular place or nation, as the interaction or connectedness can

spread internationally. Through texting messages, sharing texts, videos and photos, consumers can increase the frequency of richer interactions in social media marketing.

### ***Social collaboration***

According to Doyle *et al.* (2015), social collaboration means that users participate, edit and share content together. Collaborations occur in groups of people, with users that organise themselves and have common interests and share the same values. Trust is the most important value which drives the participants together.

### ***Content sharing***

Social media involves content sharing amongst users (Kaplan & Haenlein 2010). Users can forward content, retweet, like and share content for various reasons. According to He *et al.* (2017), content sharing depends on whether customers find the business's content interesting and entertaining, whether the content is helpful to other people, whether the content creates thoughtful ideas for discussion, or whether the content promote the user's ideas or beliefs. With this in mind, social media marketing is promoted by customers when they share businesses' content with friends and relatives. Shared content would be about the business and the products it offers.

### ***User-generated content***

Creation and sharing of content is done by users, where consumers are actively involved in the creation. Businesses have no control over the content that users create. This leaves business vulnerable to negative sentiments from their customers. Social media empowers customers, as it gives customers a platform to air their views about businesses and their products (Neti 2011).

### ***Social connectedness***

Social media provide users with a way of connecting. Social connectedness can show the number of connections an individual can have with other people on social media. For example, Facebook can have subscribers, who are connected to about 200 people on the platform. The connection extends to many people and creates a large group of users connected to Facebook (Sashi 2012).

The above-mentioned features make great pillars for the existence of social media. Social media is therefore structured based on the characteristics outlined above.

### 2.3.2 Classification of social media

Social media is classified by different authors using different dimensions. Kaplan and Haenlein (2010) classify social media based on the richness of content possessed by the social media sites. They argue that the amount of information carried by the social media determines whether the social media can be effective or not. The authors therefore categorise social media into three groups of high, medium and low media richness. Social media sites are also used by consumers for self-presentation and self-disclosure. This is shown in Table 2.1.

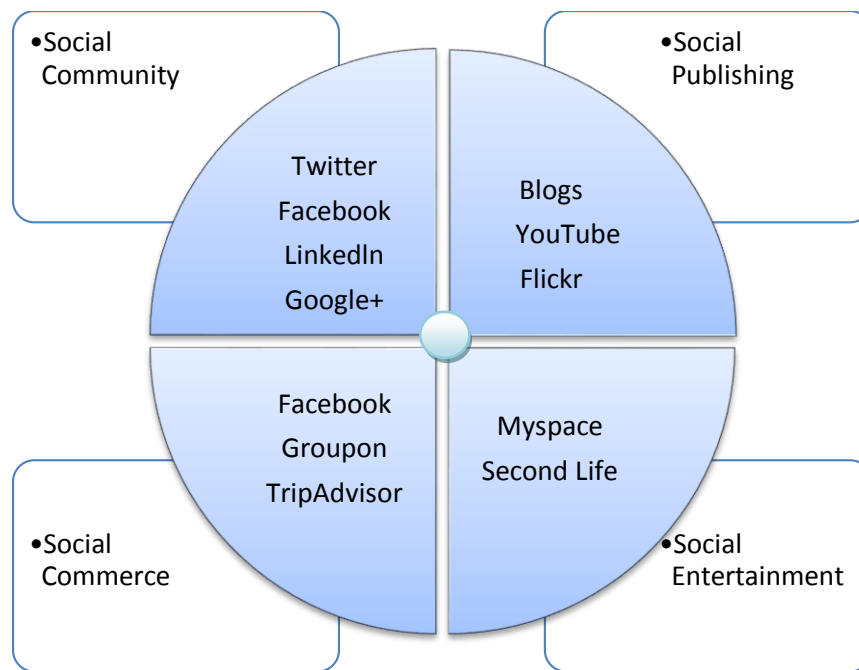
**Table 2.1: Kaplan and Haenlein's classification of social media**

		<b>Social Presence/ Media richness</b>		
		<b>Low</b>	<b>Medium</b>	<b>High</b>
<b>Self- presentation/ Self- disclosure</b>	<b>High</b>	Blogs	Social networking sites (e.g. Facebook)	Virtual social worlds
	<b>Low</b>	Collaborative projects (e.g. Wikipedia)	Content communities (e.g. YouTube)	Virtual game worlds (e.g. World of Warcraft)

Source: Kaplan and Haenlein (2010:62)

Different from how Kaplan and Haenlein (2010) classified social media, Vaananen (2015) explains that social media can be classified based on what the social media is capable of offering users. Social media is divided into four zones, namely, the social community zone, the social publishing zone, the social entertainment zone and the social commerce zone.

These zones are depicted in the following figure.



**Figure 2.1: Vaananen's classification of social media**

Source: Vaananen (2015:17)

According to Vaananen (2015), the *social community zone* refers to social media networks which mainly focus on the relationships between users. These networks include sites such as Facebook, Twitter and LinkedIn. The emphasis of these networks is on the formation of strong communication and conversations between participants. The *social publishing zone* refers to networks that deliver content from one user to another; for example, videos can be sent by YouTube or Instagram, from one user to another. The *social entertainment zone* includes sites which offer opportunities to users to explore games and share them with other participants. Such networks include Second Life. Finally, the *social commerce zone* comprises networks that assist users to enjoy on-line buying and selling, in the comfort of their homes. Trip Advisor is an example of a network in this zone; it provides travel-related information and allows for accommodation bookings to be made.

### 2.3.3 Social media platforms

There are various social media platforms which offer new ways of interacting and engaging. These social media platforms are broken down into tools and sites that include corporate blogs, Facebook, Twitter, YouTube and LinkedIn, which are engaged by businesses to interact with people who may be interested in their companies (International Trade Center (ITC) 2014). The different sites can be used for various purposes, ranging from maintaining



relationships to sharing information and news with customers (Odhiambo 2012; He *et al.* 2017). According to ITC (2014), social media platforms have been in existence for more than a decade now and many businesses have embraced them as methods of modern communication with their clients. Odhiambo (2012) concurs, by stating that the platforms originated early in 2004 in the USA, and have been used by businesses to promote their brands.

An overview of some of the main social media platforms is provided below.

### **2.3.3.1 Facebook**

Both Odhiambo (2012) and ITC (2014) mention that Facebook originated in the USA in 2004. It has become a dominant site globally, which is used for personal and business purposes. The site has allowed users and groups to collaborate and share ideas, information, updates and opinions about particular products. Facebook has a lot to offer to small businesses. It is one of the sites which is widely used by people and is easy to integrate into social media communities (Kriescher 2009). The site has an exciting share feature, which enables consumers to share posts with large numbers of people. Facebook has the potential to increase traffic to the website of the business, which can work to enhance its performance.

According to the South African Social Media Landscape 2018 report, compiled by World Wide Worx and Ornico, Facebook dominates the social media arena in South Africa with 16 million users (Patricios & Goldstuck 2018). The site is used mostly by those aged between 23 and 30 to post photos, interact with brands, as well as to communicate with friends and relatives. Most users of Facebook access it from their mobile devices. Major companies are also utilising Facebook as a communication platform for their businesses while, on the other hand, there is little activity noticed in terms of small businesses' use of Facebook (Wood 2017). According to the South African Social Media Landscape report of 2018, 97% of local businesses use social media to reach to their potential customers, while 86% of South Africa's major brands use Facebook for advertising (Patricios & Goldstuck 2018). This makes Facebook the social media hero, as businesses and individuals continue to adopt this platform for business and personal purposes.

### **2.3.3.2 Twitter**

Twitter was founded in 2006 and is now regarded as a leading platform that provides a way of broadcasting brief posts, known as tweets (Fischer and Reuber 2011). Twitter is important for organisations to monitor discussions about their brands. He,*et al* (2017) affirms that Twitter enables fast, brief conversations and engagement. Arca (2012) describes Twitter as a site that enables companies to generate leads for their products. Tweeting about specific offerings of the business encourages followers to find out more, leading to more purchases. Furthermore, tweeting about brand personality gives followers a sense of the business. Kriescher (2009) asserts that Twitter can help businesses get feedback, reviews and comments about their business, and that products and customer service can thereby be improved.

Twitter is gradually growing in South Africa, with approximately eight million users currently (Patricios & Goldstuck 2018). User engagement with the platform is growing steadily and Twitter is the third largest social media site after Facebook and YouTube (Patricios & Goldstuck 2018); furthermore, approximately 90% of major South African brands are active on Twitter, with 45% using the platform for advertising.

### **2.3.3.3 LinkedIn**

Odhiambo (2012) describes LinkedIn as a site of over a million professionals, who share knowledge and insight with other LinkedIn users. Companies that have access to LinkedIn are exposed to a wealth of information that is mostly provided through users' profile data. Companies use this information for advertising products and services to particular LinkedIn members, which allows not only for networking but also for hiring people, and providing and gathering professional information (Bhagat & Gupta 2014). According to Arca (2012), LinkedIn is a modern resume, where LinkedIn profiles are accessible to many companies. Businesses can locate people with relevant skills who are interested in joining their businesses. The site increases exposure for businesses as they attract quality employees.

This professional social media site has grown considerably in South Africa, as many individuals and businesses are adopting it. The number of users increased from 5,5 million in 2015 to 6,1 million in 2017 (Smith 2018). LinkedIn is mainly used by major businesses in South Africa, such as Absa, Eskom and Standard Bank. The South African Social Media Landscape 2018 report reveals that 72% of major brands use LinkedIn, with 35% using it for advertising (Patricios & Goldstuck 2018).

#### **2.3.3.4 YouTube**

YouTube was created in 2005 as a video sharing website, on which users can upload, view and share videos globally (Odhiambo 2012). Various companies now use YouTube for marketing, advertising campaigns and sharing videos with the public (He *et al.* 2017). However, YouTube is still regarded as small when compared to other social media sites such as Facebook (Reino & Hay 2011). According to Patricios and Goldstuck (2018), YouTube follows closely behind Facebook and Twitter in South Africa. The platform is described by the above author as a social media site ‘which is heading in the direction of the big three’ (referring to Facebook, Twitter and YouTube). Businesses can benefit from using YouTube, such as by demonstrating to consumers how a product works. Businesses can also gain from YouTube comments and interaction about their products. Reinhard (2009), however, observes that the success of YouTube has not been fully realised by marketers, due to their failure to update and refresh online videos and images regularly.

The 2017 report on the Social Media Landscape in South Africa reveals that the site had 8,74 million users and that 68% of major South African brands were using YouTube; it was furthermore anticipated that the number of users could rise by 16%, as it was growing steadily (Patricios and Goldstuck 2018).

#### **2.3.3.5 Flickr**

Flickr is described by Reuben (2008) as an online photo site where users can upload photos that can be grouped and set into collections. Businesses can use Flickr to share photos with customers, adding captions and tags to turn them into organised collections. Closely related to Flickr are Myspace and Instagram, which also allow users to have online communities that enhance relationship-building through the sharing of photos, journals and interests (Reuben 2008). However, Kadam and Ayarekar (2014) regard Myspace and Flickr as new ‘kids’ in social media marketing. Accordingly, businesses have not yet fully adopted them as marketing tools. Flickr is still relatively new in South Africa, and is the least popular social media site in the country, compared to Instagram and Twitter (Tenkanen *et al.* 2017).

Table 2.2 provides an overview of the executive summary of the South African Social Media Landscape 2018 report (Patricios and Goldstuck 2018)

**Table 2.2: Overview of social media use in South Africa**

	Number of SA users	Major SA brands using platform	Major SA brands advertising on platform
<b>Facebook</b>	16 million	97%	86%
<b>Twitter</b>	8 million	90%	45%
<b>LinkedIn</b>	6.1 million	72%	35%
<b>Instagram</b>	3.8 million	72%	40%
<b>YouTube</b>	Not provided	68%	Not provided

Source: Compiled from Patricios and Goldstuck (2018)

As can be seen in Table 2.2, a large proportion of major South African brands use social media platforms, although the proportion using these platforms specifically for advertising is considerably smaller in some cases. It should be borne in mind that the figures presented in this table relate just to 118 major South African brands. As such, insight into the use of social media platforms for marketing purposes by small businesses is still lacking.

## **2.4 Social media marketing**

Social media marketing is a relatively new marketing strategy that enables businesses to reach millions of customers at very little cost. Business have realised that they can increase their competitive edge through social media marketing (Hamound 2016). The concept of social media marketing, according to Hamound (2016), is all about the process of conversation with others to build relationships. Social media is a new platform where e-vendors can disseminate information about products and businesses, reaching their customers and prospective customers quickly and easily.

Xiang and Gretzel (2010:180) define social media marketing as “the use of social media websites and social networks to market a company’s products and services”. Alves, Fernandes and Raposa (2017) describe social media marketing as a complementary strategy to the old marketing way, which is applied on social media sites. Xiang and Gretzel (2010), however, emphasise that social media is not there to replace the traditional way of marketing but confirms that traditional marketing messages alone are no longer sufficient. Social media marketing is incorporated into businesses to complement and collaborate with their existing

traditional marketing. In other words, social media marketing integrates into an organisation's communication mix (Du Plessis 2012).

Social media marketing offers organisations a platform on which to establish relationships, which in turn enables businesses to understand consumers' needs and wants (Cox 2012). However, Cox (2012) points out that social media can also tarnish an organisation's online reputation as a result of negative viral marketing. Unfortunately, businesses have no control over the messages posted by consumers on social media; hence, this can destroy their reputation.

Gordhammer (2009) relates social media marketing to relationship marketing. Building relationships is vital in maintaining customer loyalty and retaining existing customers. Meske and Stieglitz (2013) posit that social media marketing brings human connections and interaction to a high level. Communication between firms and their customers fosters strong brand loyalty and trust (Kaplan & Haenlein 2010), and enhances brand awareness, brand recognition and brand recall (Alves *et al.* 2017). According to Paquette (2013), social media marketing provides endless routes for communication, including Facebook, LinkedIn and Twitter. These avenues afford individuals the opportunity to influence communities, instead of technology influencing the communication. In other words, communication through social media is consumer-centered as individuals are empowered and have the upper hand in these interactions.

There are many social media sites at organisations' disposal, and choosing which site(s) to use for marketing should not be done randomly. Neti (2011) and He *et al.* (2017) suggest that organisations should choose social media platforms only after considering their organisational objectives. Lekhanya (2013) also highlights that marketers or businesses should not just adopt social media sites because they have many registered users, but should additionally consider what marketing objectives they want to achieve. He, Wang, Chen and Zha (2017) concur, suggesting that Twitter enables fast and brief conversations and engagement with users, while Facebook is more appropriate for deep conversations and building relationships.

In a nutshell, social media marketing is a relatively new and unique strategy, offering new routes of marketing products. This has enabled organisations to build better relationships with consumers and to have a better understanding of their customers' needs. Social media marketing plays a crucial role as a communication tool that makes organisations more easily reachable by customers (Neti 2011). Social media marketing can be used to build a customer base that will help in decision making, and facilitates better relationships between

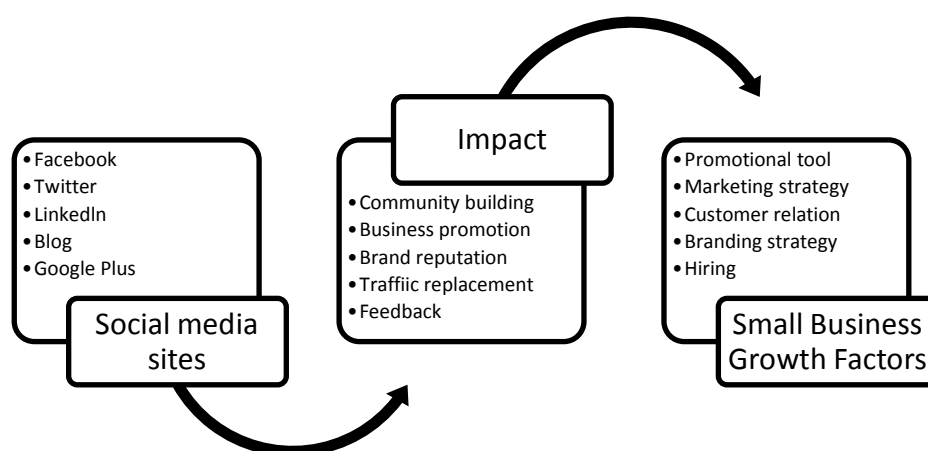
organisations and customers. Businesses cannot afford to ignore the new marketing possibilities of social media because of its powerful impact on communication, and its ability to reach large numbers of potential customers globally. Social media marketing boosts the website traffic of organisations, if used effectively, and is the quickest way of redirecting traffic to the company's website (Neti 2011). Finally, Meske and Stieglitz (2013) confirm that brands can be promoted through social media marketing.

#### 2.4.1 Social media marketing benefits and contributions

Many of today's businesses have completely changed how their marketing is done. With the advent of social media, greater opportunities are available for businesses to connect with prospective consumers. Neti (2011) states that the role of social media marketing is to provide a communication platform that gives companies social customer relationships. Wicks (2015) highlights that social networking sites are essential for maintaining a competitive edge, and outlines the key advantages of social media marketing as follows:

- Improves responsiveness
- Keeps up with competition
- Identifies new customers
- Affordability/cost-effectiveness
- Online presence
- Communication and branding

Social networks generate social connections and links between organisations and clients, as shown in Figure 2.2.



**Figure 2.2: Social media benefits**

Source: Bhagat and Gupta (2014:31)

Social media facilitates improved communication between businesses and their potential and existing customers. Neti (2011) outlines the following reasons why businesses should consider social media marketing:

- Size – platforms such as Facebook are used by many people globally.
- Reach – businesses can reach out to many potential customers using social media marketing.
- Boost website traffic – social media sites increase the number of customers visiting the business website, quickly and easily.
- Branding – social media marketing can improve a business's branding and image in a powerful way.

Literature agrees that social media marketing has overwhelming benefits that support small business growth and competitiveness. Kadam and Ayarekar (2014) concur, by stating that social media marketing provides a number of intangible benefits that are long-term. Firstly, a business that uses social media marketing creates a powerful means of two-way communication between employees and customers. Secondly, social media marketing improves the image and reputation of the business. Companies that use social media become attractive to both current and potential customers. Thirdly, social networking sites such as Facebook, Twitter and YouTube are good avenues for discussion. Lastly, businesses can successfully develop their products and brands drawing on user input, which will increase their competitiveness.

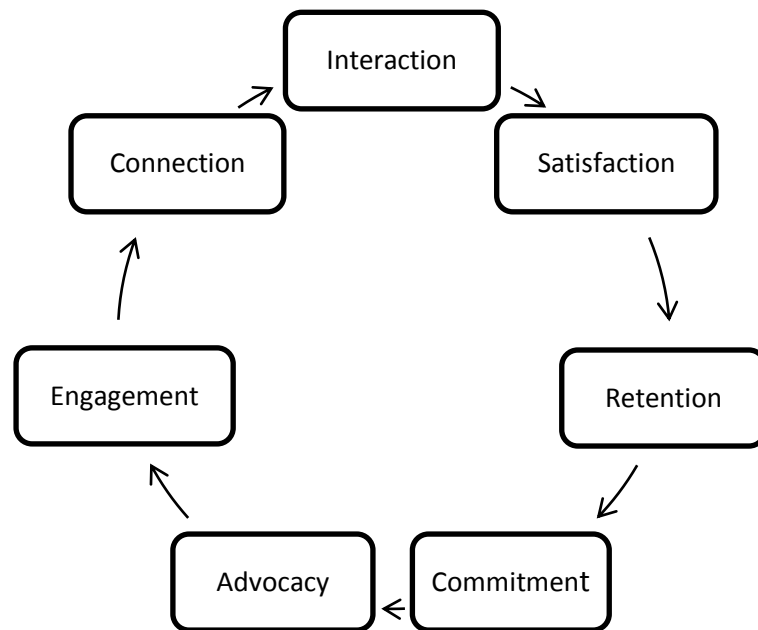
Sashi (2012) explains that social media brings benefits to organisations, as marketing via social media platforms can enable better relationships, customer engagement cycles, retention, advocacy and commitment. These are discussed below.

#### **2.4.1.1 Relationships**

It has been noted that social media marketing can help build direct relationships between organisations and their customers. When relationships are built, it means that the organisation and its customers trust each other and therefore can potentially have long-lasting relationships. A long-lasting relationship is a result of trust and satisfaction based on what the business offers its customers (Hamound 2016). The business has to work on and emphasise meeting the needs of their customers for them to remain satisfied.

### 2.4.1.2 Customer engagement cycle

Social media marketing provides a platform for customers to be active participants in the business's offerings (Sashi 2012). Customers are engaged and become partners who collaborate with businesses. Building customer engagement involves a process that constitutes a customer engagement cycle, as depicted in Figure 2.3



**Figure 2.3: The customer engagement cycle**

Source: Sashi (2012:261)

Some key elements of the customer engagement cycle are outlined below.

#### 2.4.1.3 Interaction

Interaction between customers and businesses can spread quickly, when customers text messages, send videos and share information with family and friends about the products offered by businesses. This allows customers to participate and add value to the businesses. Businesses would be able to collect feedback from customers in terms of what they say about their offers (Michaelidou, Siamagka and Christodoulides 2011).

#### 2.4.1.4 Retention

Through social media marketing, businesses can identify and retain their customers. Businesses can continuously engage customers with the aim of wanting to retain them.



Offering relevant content that appeals to customers and striving to give satisfaction to customers through interactions on social media platforms can contribute towards retaining customers.

#### **2.4.1.5 Advocacy**

When customers are satisfied, they become delighted customers, who will later on become advocates of the businesses. They will be loyal fans/customers (Steizner 2016). Businesses can encourage customer advocacy, through social media, when customers naturally talk about the businesses' brands without much push from the businesses themselves.

According to Arca (2012), social media marketing provides numerous benefits which cover many aspects of a business. Benefits can be realised in areas such as marketing, customer support, finance, research and development, and public relations.

The benefits of social media marketing are tabulated in Table 2.3 below

**Table 2.3: Summary of the benefits of social media marketing for business**

<b>Functional Area</b>	<b>Benefits</b>
Marketing	Increased brand exposure Brand awareness Increased targeted traffic Reduced marketing costs Leads generation
Customer Support	Customer interaction feedback Real time and personalised support Increased customer relation and loyalty Reduced support costs
Research & Development	Marketing insight on target audience Competitor monitoring
Finance	Cost effective Reduce costs in marketing customer service and recruitment
Public Relations	Communication in real-time Increased brand exposure

Source: Arca (2012:43)

A recent survey of 118 of South Africa's biggest brands found that most of them "believe they see a return on investment when they advertise on social media. By far the most common benefit they see is brand awareness, followed by customer insights and sales" (Patricios & Goldstuck 2018:4). Presumably similar benefits would apply in the case of small businesses.

However, there are also a number of challenges associated with social media marketing, as discussed in the following section.

## **2.4.2 Challenges of social media marketing**

Certain key factors have to be present in businesses offering successful social media marketing. The barriers to successful implementation of social media marketing vary from one organisation to the next. Small businesses in developing countries lag behind in adoption of social media marketing compared to their European Union counterparts (Calli & Clark 2015). Literature agrees that the barriers to social media adoption by small businesses may include lack of resources, poor management and marketing skills, poor training and development, and difficulty in measuring social media results, as discussed in the following sections.

### **2.4.2.1 Lack of resources**

In terms of lack of resources, Van Scheeers (2016), He *et al.* (2017) and Davies *et al.* (2013) agree that small businesses have limited finances at their disposal to implement social media marketing, because marketing in small businesses is generally awarded only a small percentage of the total business budget. With limited budgets, small business will fail to purchase sophisticated information technology (IT) to assist them in their social media marketing efforts.

### **2.4.2.2 Poor management and marketing skills**

Besides limited funding and other resources, Van Scheeers (2016) explains that South Africa's small businesses suffer from poor management and marketing skills. Strydom (2013) affirms that South Africa's SMEs have the highest failure rate in the world, due to poor management and marketing skills. It therefore means that small businesses may be failing to incorporate social media marketing due to poor management skills. Cooper and Aliuse (2011) also

elaborate that small businesses struggle to invest in social media, by acquiring necessary skills in management and marketing. Businesses fail to equip their workers with important skills necessary to effectively implement and monitor social media marketing

#### **2.4.2.3 Technology**

Technology incompatibility is another related challenge. According to Lekanya (2015), most small businesses lack knowledge about using technology for social media marketing purposes. Stakeholders are disoriented to technology and find it difficult to use technology to their advantage. Workers in the business lack knowledge about social media marketing, and management perceive social media to be time-consuming. As a result, small businesses fail to fully harness the potential benefits due to poor utilisation. There is therefore a need to educate workers in the organisation and to enhance skills, knowledge and attitudes towards social media marketing (Rambe *et al.* 2015). In South Africa, SMMEs lack technological knowledge on how to conduct business via social media. The aforementioned authors further explain that most businesses are sceptical about the usefulness of social media and small businesses lack confidence in adopting social media technology.

#### **2.4.2.4 Measuring social media**

In relation to difficulties with measuring social media results, marketers find it difficult to measure the return on investment (ROI) of their social media marketing activities. Results of social media marketing may seem uncertain and intangible and businesses may not be sure how to measure effectiveness. In addition, Collin *et al.* (2011) explain that some businesses fear investing in social media because of the uncertainty and risk involved.

Social media measurement is discussed further in Section 2.4.4.

#### **2.4.3 Social media marketing effectiveness**

Effectively using social media within the business's marketing strategy requires that organisations have proper expertise. Pradiptarin (2011) and He *et al.* (2017) concur, by stating that content quality, involvement and integration with other media platforms are aspects that highly influence social media effectiveness.

Content quality entails that the messages or communication posted on social media should appeal to consumers, and meet customers' needs and wants. Organisations create content which will make customers want to exchange and distribute the content to family and friends on social media sites. Khan and Anisa (2015) also state that the content created should not be misinterpreted by consumers, as this can cause mistrust between organisations and their customers. Content created by organisations should be persuasive enough for consumers to buy products and create long-term relationships that are built on trust and continuously engaging in conversations. To engage customers regularly in social media activity, the content found on social media needs to be updated and refreshed often.

Involvement is another important dimension that makes social media marketing effective. Organisations should fully commit their time and thoughts to being actively involved in social media marketing (Morphitou & Demetriou 2014). Kaplan and Haenlein (2010) indicate that full participation and involvement help businesses to listen to what their customers are saying.

Integration with other marketing platforms would also assist organisations to improve the effectiveness of their social media marketing. In other words, social media marketing should not be used in isolation. Chikandiwa (2010) agrees with the notion that social media should be used simultaneously with other marketing forms. Kaplan and Haenlein (2010) mention that social media is an upgrade of traditional marketing, and therefore should be used to complement old methods of marketing. For example, organisations can deliver adverts to consumers via Facebook, television and Twitter as a way to integrate the different forms of advertising. Social media becomes a medium to increase website traffic.

He *et al.* (2017) suggest that organisations should prepare a social media adoption plan if they want it to be successful. The plan should be in line with the organisation's objectives.

#### **2.4.4 Social media measurement**

Measuring the success of social media performance is one of the barriers to social media adoption by small businesses, as noted in Section 2.4.2.4, yet it should be an important business practice (Oztamur & Karakadilar 2014; Van Scheers 2016). However, social media is still relatively new ground and many businesses accordingly find it difficult to measure its results adequately. The ITC (2014) states that there is no prescribed way in which social media can be measured, because businesses are different and have different strategies, needs and budgets.

According to Kayonde (2013), organisations can make use of scorecards to measure the performance of social media marketing. Measuring overall performance, especially ROI, poses a challenge to managers because of the availability of various social media platforms (Pradiptarini 2011). According to Oztamur and Karakadilar (2014), ROI measurement is difficult for small businesses as they lack strategies and understanding of social media platforms. Sponder (2012) explains that the use of scorecards in social media evaluation would help in tracking and evaluating the success of an organisation's campaign efforts on social media. Sponder (2012) suggests that the following key metrics could provide insight into social media marketing ROI:

- Audience metrics – measurement of how many people have an interest in the company's brands.
- Perception metrics – whether a particular contribution is positive or negative or neutral about the company.
- Engagement metrics – measure how the firm's efforts impact customer interaction on different platforms.
- Content performance – monitoring content to understand which content generates positive attention, post frequency, repeated content.
- Demographics – the demographic characteristics of users provides information on what sort of messages or engagement will succeed.

According to Pradiptarini (2011), companies are often misguided by relying on counting fans and followers as their primary measurement for their social media investments. The ITC (2014) asserts that there is no clear evidence to prove that, for example, 8 000 new customers will lead to \$3 million in sales or revenue; therefore, the number of fans or follows is not really an important indicator of social media marketing on its own. This is underscored by the findings of the South African Social Media Landscape 2018 report, which notes that “widespread consumer take-up of a platform, as seen with WhatsApp, does not readily lend itself to brands communicating with those consumers” (Patricios & Goldstuck 2018:4).

Literature agrees that the measuring of social media marketing outcomes is a daunting task. Many marketers and managers are hesitant to measure social media marketing efforts, as they do not clearly understand what should be measured and how this should be done (Oztamur 2014). Limited research is available on the effective measurement of social media marketing, and this also contributes to the failure of measuring the task (Fisher & Reuber 2011). He *et al.* (2017) noted that most small businesses fail to develop social media metrics which they can

use to monitor social media marketing effectiveness. With increasing marketing communication expenditure, marketers should not give up on the evaluation of social media marketing, but should strive to bring better metrics which can be engaged without difficulties. Ewing (2009:106) highlights that “when a marketing strategy works, it becomes an investment, but when it fails to bring expected results, it is an expense”. Therefore, marketers should continuously seek ways of measuring social media marketing effectively.

#### **2.4.5 Social media marketing adoption**

There is significant interest in marketing through social media, and literature reflects that the utilisation of social media marketing is proliferating at an alarming pace (Dahnil *et al.* 2014). However, He *et al.* (2017) highlight that there is low adoption of social media as a platform for marketing by small businesses. The slow adoption of social media marketing is attributed to many factors, such as business environment, management and technological (Dahnil *et al.* 2014). According to Aspasia and Ourania (2014), social media adoption is also influenced by firm size, industry, sector and managerial perceptions about social media.

While literature generally agrees that social media is useful for small businesses to promote and provide information about their brands (Meske and Stieglitz 2013), there is currently a deficit of literature on social media marketing adoption within the context of small to medium-sized enterprises. Van Scheers (2016) mentions that small businesses lag behind in terms of social media marketing usage compared to their large organisation counterparts; she attributes this to lack of resources, and especially limited finances, to implement social media marketing. Barnes and Jacobsen (2013:11) believe that the implementation of social media marketing solely depends on the level of perceived ‘newness’ of the concept, which determines the reaction to it. In other words, they suggest that if the idea of social media seems to be new to the business or an individual, to them it is an innovation, and the business will quickly adopt it. Dahnil *et al.* (2014) echo the above writers when they state that social media adoption comprises groups of businesses that are innovators and those that are imitators. Innovators (early adopters) are those organisations that embrace social marketing independently, without being influenced by other firms. On the other hand, imitators (late adopters) are those that are influenced by others to adopt social media marketing.

Figure 2.4 depicts the technology adoption life cycle.



**Figure 2.4: Technology adoption life cycle**

Source: Dube and Gumbo (2017:39)

According to Rogers (2003), innovators are venturesome firms that willingly take risks to experiment with new technology and ideas. Innovators do not fear to lose, or to be unsuccessful if a new technology fails. On the other hand, early adopters can also take risks but they first seek approval of a new technology from others. Early majority are an average number of firms in society that spend much time before they take a decision on a new venture. They do not want to leave anything to chance, therefore they are cautious about any decisions they take. The late majority are usually sceptical individuals, who are not easily convinced to adopt new innovation. Lastly, laggards are traditional in their perceptions about technology. They are more resistant to change than other groups.

The business environment is another factor that influences adoption. This entails whether the business is operating in a competitive environment or not. Some businesses are backed through funding by their governments that encourage the use of social media adoption, which makes it easier for the firms to adopt social media (Rambe *et al.* 2015).

Managerial characteristics and perception also strongly affect the adoption of social media marketing (Constantinides *et al.* 2015). The daily operations and functions of organisations are in the hands of management, hence they have the responsibility of deciding whether their organisations can use social media or not. Aspasia and Ourania (2014) suggest that the gender, age and educational level of managers have an impact on social media adoption. They believe that young managers easily adapt to change and new methods and innovations. Leaders who are well-informed and educated are positioned to engage social media technologies with ease and can easily adopt social media. Razah and Latip (2016) also believe that social media adoption by business is based on whether the organisation finds social

media useful, whether they can use it with ease and whether employees enjoy the use of social media for marketing purposes.

To sum up, businesses adopt social media in different ways. Some businesses are afraid of implementing new methods of communication; hence they sluggishly engage social media. Other businesses may be struggling to find the usefulness of social media; hence, they are hesitant to engage it (Pradiptarini 2011).

## **2.5 Guidelines for implementing social media marketing**

Social media applications have become more prevalent in today's businesses as they offer businesses more opportunities than before. Adopters of social media sometimes grab the new strategy of marketing without making proper decisions about which social media platforms are most suitable for their businesses (He *et al.* 2017). The authors further explain that some businesses initially embrace social media marketing, only to discontinue use after failing to implement it properly.

Culnan (2010) gives a guideline for the implementation of social media marketing. The guideline helps businesses who use social media to constantly improve and check whether they are using social media properly. The guideline also assists aspiring businesses and new adopters of social media marketing to have a clear method of adopting social media marketing. Culnan (2010) emphasises that organisations need to align platforms with their organisational culture, brand and objectives as some social media platforms are more appropriate for certain businesses than others. He *et al.* (2017) affirm that more businesses are now forthcoming in exploring social media for business purposes, but states that they have inadequate understanding of how effectively they can adopt it.

### **2.5.1 Choosing an appropriate platform**

A formal approach is required to engage platforms. Organisations need to consider which platforms (such as Facebook, blogs and Twitter) will be reachable by their consumers. Kriescher (2009) mentions that businesses have to make an effort to find out where most of their clients/customers spend their time on social media. Businesses have different objectives for engaging in social media marketing, including increasing their customer base, developing customer support or improving their sales. Therefore, these objectives have to be considered when choosing appropriate social media platforms. For example, Yang and Wang (2015)



affirm that organisations wanting to develop customer support can use Twitter, while He *et al.* (2017) mention that organisations needing to create strong relationships with their customers can use Facebook.

### **2.5.2 Assigning governance responsibility**

After selecting the appropriate platform(s), the business has to decide who will manage their social media site(s) (Vaananen 2015). Literature agrees that small businesses have limited resources and may find it too expensive to hire social media experts to update their social media sites. Vaananen (2015) explains that, due to this limitation, most small business owners/managers may be in charge of updating their social media platforms themselves. In large organisations, this is usually the responsibility of the IT department. It is imperative for organisations to assign someone to be responsible for content creation, based on the social media platforms selected for the business.

### **2.5.3 Identifying value metrics**

To reflect on the objectives of the businesses, metrics should be identified to measure the effectiveness of social media marketing efforts. Brown (1999:76) notes that “what doesn’t get measured, doesn’t get done”. In other words, all efforts of social media marketing that are engaged should be measured in order to realise their effectiveness. Measures of social media marketing can range from increased sales as a result of a social media campaign, cost savings from not using telephones or television, to social media customer satisfaction based on the interaction with the firms’ social media applications (Culnan 2010). If the correct metrics are identified and measured, the business would enhance their performance and have a competitive edge.

### **2.5.4 Making social media readily accessible**

Social media is universally used by both individuals and businesses; however, there are accessibility issues that need to be addressed (Sashi 2012). The World Report on Disability of 2011 states that people with disabilities fail to access social media the same way as other people do (Smith 2011). Social media has to be accessible to all groups of people, including the disabled, the elderly, the less educated and those living in poverty (Smith 2011). The abovementioned report continues to elaborate that groups of disabled people need to be catered for by different businesses’ communication tools. As social media marketing

continues to expand, businesses risk alienating these groups, if accessibility measures are not considered. Customers may have varying disabilities, such as visual impairment, loss of function of a body part (motor), cognitive disability, and auditory (hearing) disability. Social media sites should be used in such a way that they cater for all groups of customers (Smith 2011).

### **2.5.5 Managing risks**

Social media poses serious risks and management issues. The risks include security issues, as well as negative perceptions from customers being posted online (Meske & Stieglitz 2013). Organisations should address these risks proactively, by developing policies that spell out acceptable and unacceptable behaviour from both employees and customers. Organisations should also realise that negative perceptions from customers may destroy the image of their businesses, and therefore should manage these risks before they become uncontrollable.

## **2.6 Theoretical foundations of social media marketing**

A number of theories have been proposed in an attempt to explore the link between humans and social media marketing. Theories related to social media marketing include Stakeholder Theory, Social Capital Theory, Traditional Communication Theory and Social Exchange Theory (Pan & Crotts 2012). Rambe *et al.* (2015) explain Stakeholder Theory as a model which highlights that businesses are interdependent with their stakeholders (such as customers, suppliers, government and partners). Businesses need their stakeholders in order to survive, and therefore should manage their communication with stakeholders to enhance positive relationships and become sustainable. He *et al.* (2017) explain Social Capital Theory, which is frequently used to explore social media adoption by businesses. The authors suggest that Social Capital Theory entails that there are resources that exist permanently in social relations, which enables actions to be performed. These resources include trust, norms and network association resembling any group which gathers for a common purpose. Traditional Communication Theory is explained by He *et al.* (2017) as a theory that considers Word of Mouth (WOM) as being a powerful influence on consumer behaviour.

### **2.6.1 Social Exchange Theory**

Social Exchange Theory (SET) is used as a framework for this study, in order to explore the relationships that exist between businesses and their customers on social media. The theory

helps in unveiling an understanding behind the formation of human relationships. SET is an appropriate theory for this study as it looks at human behaviour and relationships at an organisational level (Pan & Crotts 2014). The early founders of this theory are Homans (1958) and Emmerson (1976), who both state that SET originated from sociology studies exploring relationships between individuals and groups. Since social media marketing is carried through social network sites, such as Facebook, Twitter and YouTube, individual relationships are examined to show their connections with organisations and businesses.

According to Bartoletti (2013), SET is a communication model where participants voluntarily choose to form relationships with individuals, groups or organisations for their own benefit. Relationships are formed based on an individual's subjective cost-benefit analysis. Individuals take their time to calculate the overall worth of participating in a relationship, by weighing the benefits accrued and costs incurred out of the relationship. A number of perspectives are highlighted in SET, which help to describe the theory. These perspectives include the interaction of humans as a resource exchange, cost and reward/benefit, reciprocity in the relationships, and long-term relationships.

### **2.6.2 Resources**

In SET, there is a focus on the exchange of resources. Garner (2017) describes resources as objects of exchange that participants in a relationship can interchange with each other (such as love, status, information, money and services). Hamound (2016) further explains that resources can be either tangible (like money) or intangible (like friendship). When social media marketing is engaged by businesses, these resources are evident as they are noticed in the formed relationship.

### **2.6.3 Trust**

Participants who engage in relationships only choose to become active participants if there is trust amongst the parties involved (Hamound 2016). Trust and commitment are the most important aspects of SET (Holthausen 2013). A customer who trusts a company is a satisfied client, who can provide benefits to the business by recommending the company's products to other people.

#### **2.6.4 Costs versus rewards/benefits**

SET is used to explore the customer's perceptions of the costs and benefits of a more direct social exchange with the business. When businesses engage in a relationship with customers, they have a benefit in mind; for example, they may want to gain customer satisfaction and loyalty that will lead to business success (Hamound 2016). On the other hand, customers may want to gain quality service and satisfaction from the business. This now constitutes an exchange, which is intangible, between customers and businesses. Social media offers sites where the transactions of these resources will benefit both parties. When such relationships exist, where both parties benefit, it becomes a win-win situation for customers and businesses. According to the theory, a satisfied customer becomes a marketing device, who would provide further benefits to the business by referring other people to the company.

#### **2.6.5 Reciprocity and interdependence**

Through communication exchanges between participants, individuals choose to get rewarded. This means the exchanges are a two-way process, where one party gives in anticipation of getting a reward in return (Pan & Crofts 2014). Reciprocity is a central rule of SET; one party cannot expect to benefit at the expense of another party. Through the use of social media sites such as blogs and YouTube, there is active exchange of videos of more than 10 million subscribers, where participants can choose to comment on and support such videos (Hamound 2016). According to Grier and Bryant (2005), SET views customers as acting primarily out of self-interest, seeking ways to maximise value by getting the greatest benefits for the least costs. There is some desire by customers to belong to a group to share experiences and connect, and this can be achieved through Facebook, Twitter and other social media sites.

#### **2.6.6 Long-term relationships**

SET holds that human relationships form through the use of subjective cost-benefit analysis. Although the relationships are subjective, there is the possibility of forming long-lasting relationships. According to Bartoletti (2013), participants aim to build relationships that become stronger as the exchanges increase, and to nurture the relationship. To prolong and perpetuate the relationship, it all depends on the businesses' content which is posted to the customers through social media sites.

Finally, SET is valid for studying and explaining how people in social networks express their opinions and share information with each other using applications such as YouTube, Facebook and Twitter (Pan & Crotts 2014). The theory also applies to social media from a marketing perspective, because it unravels the main human factors that are involved in forming relationships with a gain for both parties. Most businesses today apply the theory (SET) to provide added services and to make their customers happy (Pan & Crotts 2014). Therefore, this theory can be considered vital to small businesses for business growth and expansion, and to boost their returns.

## **2.7 Conclusion**

The chapter analysed the concept of social media and social media marketing. The researcher discussed the issue of small businesses and how they can engage and incorporate social media for marketing purposes. Literature reveals that social media is underutilised by small businesses, and the researcher highlighted the different social media platforms that can be used by such businesses for their advantage.

Literature also identifies that it is not easy to engage in social media marketing; there are some challenges that have been highlighted. Even though challenges were identified, benefits of social media seem to outweigh the challenges. Small businesses are encouraged to embrace this new marketing strategy to improve their business performance. A social media framework has been suggested to assist small businesses in implementing social media marketing effectively.

The chapter that follows discusses the research methodology used to address the research questions.

## **CHAPTER THREE: RESEARCH METHODOLOGY**

### **3.1 Introduction**

This chapter focuses on the research process and methodology adopted to conduct the study. It outlines the research design, approach and methods that were used to gather and analyse data. The chapter also justifies why certain methods were chosen ahead of others.

### **3.2 Research Design**

According to Burns and Bush (2010:148), “research design is a detailed outline of the procedures followed in a research effort in order to achieve set aims and objectives”. Sekaran and Bougie (2010) concur, by stating that a research design refers to a theoretical account for implementing investigation tasks and provides the procedures and direction that must be followed in order to obtain the information required to achieve research objectives. Ayakonya (2013) also explains that a research design is a conceived plan of action, which structures the path followed by research in order to achieve the set research questions. In summary, a research design details the actions and steps to be taken, to achieve research objectives.

As consideration of the research objectives is clearly key to constructing an appropriate research design, it is useful at this point to provide a reminder of the objectives of this study. These were:

- to ascertain to what extent small businesses in eMkhondo utilise social media marketing;
- to explore the benefits and contribution made by social media marketing to small businesses in eMkhondo;
- to examine the challenges faced by small businesses in eMkhondo in implementing social media marketing.

Sekaran and Bougie (2010) highlight that research designs can take the form of exploratory, descriptive or causal. This study followed an exploratory research design. According to Burns (2000), exploratory research is carried out to find a breakthrough of new perceptions about a research topic. Blumberg, Donald, Cooper and Pamela (2008) further state that exploratory study is helpful when the researcher lacks a subtle content of the problem. The researcher chose exploratory design in this study because, as indicated in Chapter Two, there is limited existing research on social media marketing by small businesses. Exploratory design would

be able to help explain this relatively new phenomenon, as deeper and concrete insight would potentially be discovered in the research, focusing on the small business environment in eMkhondo.

Exploratory study depends heavily on qualitative techniques, which are associated with flexibility with respect to the research methods used (Blumberg *et al.* 2008). Burns (2000) also states that exploratory study can be conducted in three platforms, namely:

- searching for written material in the literature
- interviewing experts on the issue
- interviews and focus groups.

In this study, the researcher used interviews, in which participants were owners/managers of small businesses in eMkhondo. Interviews drive a clear picture of the participants' position on the issue of social media marketing in their businesses. Though some critics argue that exploratory research generates qualitative information and interpretation, which is subject to bias, the researcher strongly believes that it is appropriate for an investigation that provides insight into a problem about which limited information currently exists (Creswell 2003). It is also appropriate in laying the groundwork for further study.

### **3.3 Research Approach**

This study adopted a qualitative approach, to vividly unveil how and why small businesses utilise social media marketing. According to Patton and Cochran (2002), qualitative research relates to the skill and ability to judge some aspects of social groups; it does not focus on numbers, but is instead concerned with conversations. A qualitative approach is best suited for situations where little is known (as is the case with the topic under study), and where the aim is to get insights from participants, who shed more light on the topic through their experiences and attitudes.

Qualitative research differs from quantitative research in a number of ways, as set out in Table 3.1.

**Table 3.1: Differences between qualitative and quantitative research**

<b>Factor</b>	<b>Qualitative research</b>	<b>Quantitative research</b>
<b>Data collection techniques</b>	Active interaction between researcher and participants	Passive interaction through use of questionnaires
<b>Sample size</b>	Small samples	Large samples
<b>Data collection methods</b>	Mostly interviews, focus groups and observations	Mostly questionnaires
<b>Tools</b>	Interview guide Tape recorder Transcriber Computer	Computer Calculators
<b>Interpretation</b>	Subjective nature of enquiry	Objective interpretation Positivism

Source: Sognuro (2002:5)

Madondo (2016:50) summarises the features of qualitative research as follows:

- It is an activity designed to understand a human or social issue.
- It is a verifiable activity where data is verbal and in text form.
- It makes little effort to use figures to quantify findings.
- It relies solely on individual judgment.

The strength of qualitative research is recognised in its ability to provide complex and nuanced textual descriptions of how humans experience a given phenomenon. It is easily modified and adjustable to the prevailing situation, and is more flexible than quantitative research as it allows greater spontaneity and can be easily adapted by the researcher and the participants (Atieno 2009). A qualitative approach uses open-ended questions, which gives participants the chance to give their own views and experiences in their own words, instead of forcing them to choose fixed responses, as is the case with a quantitative approach. The strength of a qualitative approach lies in its ability to adjust easily (Blumberg *et al.* 2008).



### **3.4 Research setting/context**

The research setting refers to the location or environment in which data is collected. In this study, the setting is eMkhondo (formally known as Piet Retief). Mkhondo is a small town in the Mpumalanga province, located between Ermelo and Pongola along the N2. It is also near the Mahamba border post between South Africa and Swaziland. According to the latest available census figures (Stats SA 2011), Mkhondo has a population of 171 982 with 48% of the population unemployed. Most businesses that are operational in the town are small businesses. The high unemployment rate points to the importance of developing successful small businesses in the town. The study site was selected for these reasons and also because of close proximity and ease of access for the researcher.

### **3.5 Target population**

Kotler and Armstrong (2013:110) define a target population as “a whole group of people or events of interest to the researcher to use in a study”. Wegner (1993:168) concurs, by stating that “a target population consists of all possible observations of a random variable under study”. The target population for this study was all owners/managers of small businesses in the town of eMkhondo. As previously stated, in this study small businesses are defined as those with fewer than 50 employees. This is in line with the National Small Business Act (Van Scheers 2016) and previous related research in the South African context (e.g. Oji *et al.* 2017).

#### **3.5.1 Sample and size**

Field (2005) defines a sample as a subset of the larger population. Sekaran and Bougie (2010) acknowledge that studying the whole population may not be feasible because of time and budget constraints; therefore, researchers use samples which are smaller and more practical, to achieve their research objectives. The sample of this study comprised owners/managers of small businesses in eMkhondo, who use some form of social media marketing in their businesses.

The sample size is the exact number of participants chosen to participate in the study. The researcher engaged six small businesses in eMkhondo, focusing on managers/owners, as they are the key drivers in company decisions. The sample size was considered adequate to address the aim of this small-scale exploratory study, which was to gain in-depth qualitative

understanding of the phenomenon of social media marketing in small businesses. A sample size of six is also in line with previous related research. For example, in the United Kingdom (UK), Carter (2012) used a sample of six owners/managers to explore social media strategies used by small businesses. Gujral, Rauzela and Chuch (2016) used a sample of five small businesses in Braamfontein, South Africa, to investigate online marketing in SMMEs. Cox (2012) conducted a case study of one small business in the USA, which was recognised as being successful in using social media. Furthermore, the selected sample size was feasible, given the budget and time constraints faced by the researcher.

### **3.5.2 Sampling method**

This study employed a non-probability sampling technique. According to Sekaran and Bougie (2010), non-probability sampling refers to a collection of sampling methods based on subjective judgment. The researcher used two methods of sampling, which are purposive and snowball sampling.

#### **3.5.2.1 Purposive sampling**

Purposive sampling is a form of non-probability sampling, in which few members of the population have a chance to participate in the study. The researcher uses her judgment and discretion to select the membership of the sample (Ayakonya 2013). Researchers use this method as it is accessible and easy to acquire results. Purposive sampling is a method where participants are pre-determined by the researcher, to meet the needs and interest of the researcher. The researcher found this method appropriate for the study because it allowed the researcher to select a sample based on the potential contribution of participants to addressing the research objectives, as well as the willingness of the participants to take part in study. The researcher chose a sample of six businesses that employ fewer than 50 workers, operate in eMkhondo town and engage in some form of social media marketing.

#### **3.5.2.2 Snowball sampling**

The researcher also used snowball sampling in this study. The researcher initially approached a business which she thought met the characteristics for inclusion in the study. The first participant then assisted the researcher to identify additional study participants (Wegner 1993). Snowball sampling is sometimes called chain referral sampling, whereby one chosen participant assists the researcher to find additional appropriate participants for the study. This

sampling technique assisted the researcher to find small businesses that use social media for marketing purposes, for the study.

### **3.6 Recruitment of participants**

A recruitment strategy is a research-specific plan, which explains how the participants are identified and enrolled for the study. According to Mark, Woodsong, MacQueen, Guest and Namey (2005), the researcher should show awareness and willingness of participants to be involved in the study. The researcher should first seek the participants' consent before they take part in the study. In this study, potential participants were approached in person by the researcher, who explained the study to them and asked if they would be willing to participate.

#### **3.6.1 Informed consent**

Mark *et al.* (2005) explain that informed consent is a tool that ensures that participants comprehend the meaning of getting involved in a study. The researcher followed several steps in obtaining informed consent from participants in this study. Firstly, the targeted businesses were approached, and the researcher explained the research topic to them. Secondly, the researcher explained the purpose of the study, and what would be expected of a research participant. Finally, the researcher emphasised that participants could only take part in the study voluntarily and that they could withdraw at any point if they felt that they could not continue. Anonymity of the participants would be maintained. The researcher only recruited participants who indicated that they understood and accepted the above.

### **3.7 Data collection methods**

Data collection may be done using both secondary and primary sources. Secondary data refers to already existing data (such as literature, advertisements and statistics) which may become the subject of analysis. Primary data, on the other hand, refers to data collected for the specific purpose of answering the research questions of the study. In this research, the researcher used mainly in-depth individual interviews, which were semi-structured, to collect primary data about the usage of social media marketing in small businesses, from the business owners/managers. To supplement the interviews, the businesses' social media sites were also analysed (e.g. the type of content made available to customers by the businesses). The latter constituted secondary data, which was already in the public domain.

### 3.7.1 Interviews

According to Berg (2004:200), “an interview is a direct method of obtaining information in a face-to-face situation”. Patton and Cochran (2002) concur, by stating that interviews resemble everyday conversations. Compared to everyday conversations, however, interviews are conducted in a more rigorous way, to ensure reliability and validity. Data quality is discussed further in Section 3.10.

The researcher conducted interviews in order to understand aspects such as what activities the owners/managers use to engage customers through social media marketing, the type of messages sent by the businesses to their customers via social media, their experiences and challenges with social media marketing and so on. The interviews therefore enabled the researcher to gain insight into the use of social media marketing by small businesses.

According to Patton and Cochran (2002), interviews are associated with the following advantages:

- Through in-depth interviews, the researcher has an opportunity for intensive interaction with the participant. In this study, the researcher had the chance to discuss questions face-to-face with the six participants, and had their full attention for a stipulated period of time agreed to by the interviewer and the participants.
- The individual’s personal perspectives and experiences can be collected. The participant’s feelings, moods and attitudes towards the subject of social media marketing were captured through the interviews.
- Interviews eliminate misunderstandings. For example, in this study, vague questions were rephrased for the benefit of the participants, to assist them in answering the questions.
- Through in-depth interviews, the interviewer is able to probe further, thereby enabling richer and more in-depth data to be gathered.

On the other hand, the limitations of interviews are highlighted by Anderson (2010) as being the following:

- Interviews may generate large amounts of data, the analysis of which may be time-consuming and complex. In an effort to help manage this, the interviews in this study were audio-recorded.
- The quality of data received sometimes depends on the ability of the interviewer’s skill to clarify questions to participants.

- Issues of anonymity and confidentiality can be compromised when presenting findings. To address this issue in the study, pseudonyms were used for the businesses in the presentation of findings, and individual participants were not named.
- Findings can be more difficult and time consuming to characterise in a visual way.

### **3.7.2 Analysis of social media sites**

In addition to conducting interviews, the researcher analysed the six selected businesses' social media sites. The researcher analysed the social interactions between the businesses and their customers, specifically the content posted by businesses and responses posted by customers. Customers' content was analysed to check on their sentiments about the products or businesses. The frequency of the posts on social media was checked, from businesses to their consumers. This was done on the assumption that it might provide some rich and interesting data to supplement the interview data. As noted earlier, Sponder (2012) identifies a number of audience, perception, engagement, and content performance metrics used to analyse social media sites. Similarly, Oztamur and Karaadilar's (2014:521) analysis of Facebook and Twitter accounts analysed "the number of likes and followers, richness of content, interaction with customers and use of language". These are useful in analysing social media sites of businesses, so as to have a deeper understanding of how businesses use social media for marketing purposes.

## **3.8 Research instruments**

Two research instruments were designed for the study; these were the interview schedule and the schedule for the analysis of social media sites.

### **3.8.1 Interview schedule**

The first research instrument used was the interview schedule (see Appendix A), which set out the questions to be asked of participants during the interviews. The interview schedule comprised four sections, namely, the background of the business, the usage of social media in the business, the benefits of social media marketing for the business and, lastly, the challenges of implementing social media marketing in the business. The research objectives and related literature influenced the design of the interview schedule, particularly Cox (2012). Through answering of the interview questions by participants, the research questions were addressed.

### **3.8.2 Schedule for analysis of social media sites**

To answer the research question on the extent to which small businesses make use of social media marketing, the researcher found it imperative to design a coding system to check the businesses' activity on social media. The second research instrument used was the coding schedule for analysing the social media sites (see Appendix B). This schedule specified the various types of data to be gathered from the sites. The coding schedule was used specifically to analyse the relationship between businesses and their customers on social media. The coding schedule revealed the number of customers attached to business, their involvement on social media, and the type of content posted on social media by both businesses and customers. Both literature (Cox 2012) and the study's research questions influenced the design of the coding schedule.

## **3.9 Data analysis methods**

According to Ritchie and Spencer (1994), data analysis methods are a variety of procedures and processes used to change the qualitative and quantitative data collected into meaningful explanations of situations that were investigated. The data generated from these collection methods need to be analysed and described, to help give rise to the conclusions and recommendations of the study. In this study, content analysis and thematic analysis were the methods used for data analysis. Content analysis was used to analysis the social network sites of the businesses, while thematic analysis was used to analyse the interview data.

### **3.9.1 Content analysis**

In content analysis, the researcher often focuses on the frequency of occurrence of important data items. This form of analysis can be used in both qualitative and quantitative research. For example, content analysis enables researchers to interpret, describe and summarise verbal and behavioural data collected from participants during interviews (Sekaran and Bougie 2010). As indicated previously, in this study, content analysis was used to analyse large amounts of textual information from the social media sites of the businesses. Specifically, the content of the participants' Facebook sites was scrutinised. Data from the sites gave insight into audience sizes, the type of content used by small businesses to engage customers, the frequency and nature of interaction between the businesses and their social media audiences, as well as followers' perceptions of the participating businesses.

### **3.9.2 Thematic analysis**

Thematic analysis focuses on identifying themes or patterns within given data. Thematic analysis provides more depth and provides broader understanding of the study (Lacy & Luffy 2007). The abovementioned authors further explain that content analysis comprises three steps, namely, transcription, identifying of themes, and mapping and interpretation.

- Transcription and Familiarisation

The researcher transfers audio-recorded data onto paper so that the data can be more easily analysed, without missing any important data from the interviews. The researcher becomes deeply involved in the data by repeatedly listening to recordings and reading transcripts.

- Identifying themes

Data is categorised into smaller accompanying themes. This is achieved by reading each item of written material and signaling the themes revealed in every matter. Similar themes are then grouped together and conclusions are drawn about the themes.

- Mapping and interpretation

Interpretation is achieved by using the researchers' understanding of the themes that are presented. This analysis helps the researcher to capture the concerns of the whole study.

This above process was followed when analysing the interview data gathered in this study.

### **3.10 Data quality/trustworthiness**

In qualitative research, reliability and validity are measured in a different way compared to quantitative research. The concepts of credibility, transferability, dependability and confirmability are mostly used to check the 'validity' and 'reliability' of a qualitative study. Guba (1981) refers to this as trustworthiness. The aforementioned concepts ensure that there is reliability and validity in the data collected for qualitative research. Joppe (2000) defines reliability as the extent to which results can be depended on over time. Validity is about whether the research manages to measure what it intended to measure and how truthful the results are. To ensure reliability in qualitative research, an examination of trustworthiness is important (Guba 1981).

### **3.10.1 Credibility**

Guba (1981) explains that credibility deals with the thrust of the research and refers to confidence in how effectively data and processes of analysis have been handled to reach the intended focus. Credibility is shown through data collection and through the way the researcher chooses the participants who take part in the research. In this study, the researcher chose participants through purposive and snowball sampling. Participants with relevant experiences were chosen to shed light on the research questions. Interviews were conducted and the participants comprised males and females of different ages. The researcher shows representative quotations from the interviews, to bring credibility to the study. The availability of audio-recordings of the interviews also enhances the credibility of the data.

### **3.10.2 Dependability**

According Lincoln and Guba (1985), dependability is the degree to which data changes, or can be altered over time. Dependability seeks to test whether research techniques, when repeated with the same methods and same participants, should result in achieving same findings. The researcher has outlined in detail the research techniques and processes used in the study, to facilitate dependability.

### **3.10.3 Transferability**

Polit and Hungler (1992) explain that transferability is concerned with the degree to which the findings of one study can be adapted to other situations. It should be borne in mind that the aim of this small scale exploratory study is to gain in-depth understanding of, and insight into, social media marketing use in the specific context of the businesses participating in this study, and not to generalise findings broadly. Although this research is based on six small businesses, the results of the research can be considered as an example of social media marketing, which may have some relevance even for larger populations.

### **3.10.4 Confirmability**

Confirmability is concerned with measuring objectively (Guba and Lincoln 1980). Although the experiences and ideas of participants may be subjective, the researcher encouraged participants to be as honest as possible, so that findings may not be biased, to produce



confirmability. Audio recordings of the interviews allow for checking of whether the researcher's interpretations and conclusions do indeed flow from the participants' actual input, and thus serve as a check for possible bias. The use of more than one source of data (interviews and the businesses' social media sites) also helps to confirm findings.

### **3.11 Ethical Considerations**

Research ethics deal mainly with the relationship parameters between the researcher and the participants in the study (Patton & Cochran 2002). When conducting research, the welfare of the research participants must be of paramount importance. The researcher adhered to the following core principles of research ethics prescribed by Mack, Woodsong, MacQueen, Guest and Namey (2005):

- *Respect for persons* – dignity of participants must be respected. Participants should not be vulnerable to abuse for the sake of the research. Informed consent is used to ensure respect for persons during the research.
- *Beneficence* – this is a research ethics concept which states that researcher should have participants' welfare at heart. The researcher commits to reducing participants' risks far as possible.
- *Justice* – the researcher commits to ensuring that there is fair distribution of the risks and benefits.
- *Respect for the community* – the values and interests of the community are upheld during the research.

Furthermore, the researcher adhered to UKZN's research ethics guidelines and requirements, in order to uphold the privacy and confidentiality of the participants.

### **3.12 Conclusion**

This chapter explained the methodology used in the study. An exploratory design was considered as being most appropriate to explore the usage of social media marketing by small businesses. The population and sample choice were explained. Data collection instruments and procedures, as well as data analysis plans, were defined and explained. In the following chapter, the findings arising from the data are presented, analysed and interpreted.

## CHAPTER 4: FINDINGS

### 4.1 Introduction

The previous chapter discussed the research methodology and methods that were selected to answer the study's research questions. This chapter highlights and discusses the findings of the research in relation to those questions. Interviews were the primary tool used to collect data from the owners/managers of six small businesses in eMkhondo. The businesses' social media sites were also analysed to supplement the interviews and bring out richer findings. Data is presented in the form of tables and themes to answer the main research questions.

The next section provides an overview of the participating businesses and interviewees. Thereafter, the findings are presented and discussed. The findings arising from the interviews are presented first, followed by the findings based on an analysis of the social media sites of the businesses.

### 4.2 Profile of the participants

Participants who took part in the study were the owners/managers of six small businesses in eMkhondo. A profile of the participating businesses and interviewees is shown in the table below.

**Table 4.1 Profile of participants**

Business	Nature of business	Number of employees	Manager/ Owner?	Gender	Age of manager/owner
1	Estate agency	06	Manager	Female	43
2	Veterinary surgery	02	Owner	Male	38
3	Fitness centre	Sole trader	Owner	Male	35
4	Retail butchery	24	Owner	Male	50
5	IT business	04	Manager	Male	32
6	Educational (private school)	10	Owner	Male	40

As can be seen in Table 4.1, with regard to the nature of the businesses, the research was not limited to any specific business sector. All six participants came from different sectors of

business. The names of the businesses have been withheld to guarantee anonymity; instead, numbers have been used to identify them, as indicated in the first column of the table.

In terms of the number of employees, all of the selected businesses had fewer than 50 employees. Therefore, all of them can be categorised as small businesses, as defined by the South African National Small Businesses Act of 1996 (Van Scheers, 2016).

The participants who were interviewed were either the managers or owners of the selected businesses. Four were owners, while the remaining two were managers. Only one female was interviewed because the researcher had difficulty finding more small businesses in eMkhondo which are owned or managed by women. Perhaps the use of snowball sampling may also have contributed to this to an extent; it is possible that the initial male participants may have been more likely to refer the researcher to other male business owners.

The participants' ages ranged from 32 years to 50 years. It should be noted that age was not one of the criteria used to select participants. However, participants' ages were subsequently recorded in order to enable the researcher to explore whether social media adoption or usage may be influenced by the age of the business owner/manager. Aspasia and Ourania (2014) suggest that the gender, age and educational level of managers/owners of businesses have an impact on social media adoption.

### **4.3 Findings from interviews**

Interviews with all six participants were carried out at the participants' business premises. Participants were given the interview schedule (see Appendix A) beforehand. Interviews were approximately 30-40 minutes in duration. The interviews were audio recorded with the participants' permission, and the recordings were subsequently transcribed and analysed thematically. The findings are presented in the sections that follow.

#### **4.3.1 Business background**

The question on business background revealed information about what sectors the businesses fall under and the number of employees employed in each business. This information appears in the second and third columns of Table 4.1.

Some examples of the participants' responses regarding the nature of their business, from which the information in the second column of the table was extracted, follow:

*"We are an estate agency which has been in existence for 10 years now"*  
(Business 1)

*"We operate a small veterinary room. It is a vet surgery, in essence, which focuses on small animals...and has been in operation for three years now"*  
(Business 2)

*"My business is a normal retail business. It is actually a butchery...the business has been in existence for 10 years now"* (Business 4)

As can be seen above, responses to this question also indicated how long the businesses have been in operation (see Table 4.2). Business 1 and Business 4 have been in operation for 10 years, while the other businesses have business experience of between three and five years. The researcher assumed that businesses that have long experience may be more willing to adopt social media marketing compared to 'infant industries' (those between 3 and 5 years old). The findings, however, revealed the opposite.

**Table 4.2: Age of business and social media usage**

<b>Business</b>	<b>Age of business</b>	<b>Usage of social media</b>
1	10	30%
2	3	80%
3	4	80%
4	10	20%
5	5	50%
6	4	60%

As can be seen in Table 4.2, businesses with fewer years in operation indicated that they tended to use more social media marketing activities compared to those with more than 10 years in existence. Therefore, there does appear to be a relationship between the number of years in business and social media usage of the participating businesses, although it is not the relationship expected by the researcher.

It would seem that those businesses with more years in business were those who used social media marketing the least, and vice versa. For example, Businesses 1 and 4 have both been in business for 10 years, and social media accounts for just 30% and 20% of their marketing activities respectively, while Business 2 has only been operating for three years, but social media accounts for 80% of its marketing.

The following quotes illustrate the above.

*“I would say definitely over 80% of most of our marketing activities are done on Facebook”* (Business 2 – in business for three years)

*“We are not very much involved in social media. Maybe our social media contribute about 30%, because we are still heavily involved with the local newspaper”* (Business 1 – in business for 10 years)

The researcher therefore deduced that the businesses with more business experience were perhaps also managed by older managers/owners, who were not as willing to take on board new innovations, hence the low adoption of social media by such enterprises. Maybe young managers are eager to learn and experiment with new things while older managers find it difficult to adapt to new things, and therefore lag behind in adopting social media marketing. Indeed, Aspasia and Ourania (2014) believe that young managers easily adapt to change and new methods of innovations.

#### **4.3.2 Usage of social media marketing**

The question “What sort of marketing do you do for your business?” was asked in order to find out to what extent the SMMEs used social media marketing. While all participants used social media marketing (this was one of the selection criteria), the degree of usage varied from business to business (as reflected in Table 4.2).

While some participants mentioned that social media marketing was used in their businesses to a limited extent, others noted that they were more heavily involved in social media marketing. Four businesses confirmed that their social media marketing presence is high, whilst two indicated that they do not use social media marketing to any great extent. The variation in responses is shown in the following quotes:

*“Facebook is our major platform for marketing our business”* (Business 2)

*“We are not much involved in social media. Our Facebook page is not very active...social media is only 20% of our marketing efforts” (Business 4)*

The reason provided above for low usage of social media marketing was that participants still rely heavily on other forms of marketing such as flyers, radio and newspapers to promote their businesses.

The researcher deduced that social media adoption and usage may also be linked to the business owners’ or managers’ age to some extent, as the following quote alludes to:

*“Other social medias such as Instagram, LinkedIn or Twitter are too advanced for me. I think they need someone who understands advanced technology...I am old school by the way...” (Business 4)*

The manager of Business 1 seemed to share the same view as the one expressed above, when she said:

*“Actually I think younger people are more involved on social media than older people”*

The participants seem to agree that social media usage and adoption is influenced by the age of the manager/owners. The assumption is that those who are young can adopt social media with more ease compared to older counterparts. As indicated previously, this is in line with the views of Aspasia and Ourania (2014).

Another factor that appears to contribute to low usage of social media marketing by these businesses is the attitude which the owners/managers have towards social media. One participant showed that he had a negative attitude towards the use of social media by his business. The participant mentioned that:

*“The challenge of using Facebook is that it appeals to the public and competitors can easily get to know your strengths and weaknesses” (Business 4)*

This participant believed that by using Facebook, he was actually giving out his strategies to his competitors. Managers/owners of business who have such an attitude are not likely to be

happy about incorporating social media marketing via Facebook in their businesses, even though they may actually do so. This may limit the extent to which this tool is used by the business.

The participants revealed that they all understood the use of social media broadly. They revealed that social media is solely used as a communication tool, which helps them to engage with their customers regularly. This can be related to what Bartoletti (2013) says about Social Exchange Theory (SET), that is, that people voluntarily choose to form relationships with individuals, groups and organisations for their own benefit. This is evident in this research as the participating businesses voluntarily chose to use Facebook as a social media marketing site in order to form relationships with existing and potential customers, thereby potentially growing and improving their businesses.

#### **4.3.3 Social media platforms used**

In response to the question “What social media platforms are you using to market your business?”, all participants responded that they used Facebook. As such, Facebook was the most popular social media site among the participants, for social media marketing purposes. Participants provided the following reasons for this:

*“It is cheaper for clients”* (Business 1)

*“Facebook is easier to use and most clients have access to it”* (Business 2)

*“I use Facebook because most of my clients are found there. About 80% of my clients use Facebook”* (Business 3)

*“I chose Facebook because I believe it has many followers”* (Business 4)

*“Our customers are mainly the youths and are mostly found on Facebook”*  
(Business 5)

*“Facebook can reach to a large group of people and it’s affordable to our clients”* (Business 6)

Participants highlighted that Facebook is the social media site where most customers are found. Indeed, the SA Social Media Landscape 2018 report shows that Facebook is the social

network used by most South Africans, with 16 million users (Patricios & Goldstuck, 2018). It can be argued that Facebook is on its way towards competing with radio and TV for reaching a large proportion of the population in this country. This may help explain why all participants in this study use Facebook as a social media marketing tool.

Literature indicates that young people easily adapt to change and use social media with much more ease compared to older people (Aspasia & Ourania 2014). This is echoed by Business 5 in the quote above, when the manager stated that his clients were mainly youths who are found on Facebook. A 2012 USA survey conducted by the Pew Research Centre indicated that young adults aged 18-29 were the largest category of users of social media sites; Facebook, in particular, had 67% of such users (Duggan & Brenner 2013). This assertion from the participant that youth are mainly found on Facebook is therefore in line with literature.

Only two businesses mentioned additionally using WhatsApp, over and above Facebook, as a social media marketing tool for their business. For example, the educational business (Business 6) mentioned that they formed WhatsApp groups where they communicate with their clients collectively. They have formed a community with each WhatsApp group where they update members about events taking place at their college. Another participant (Business 1, the estate agency) acknowledged that:

*“WhatsApp is a very helpful way of engaging customers, hence people should take it seriously”*

The findings revealed that no participant was using Instagram, YouTube or Twitter as a marketing platform. One participant explained that they were afraid that their client base was not much involved in these sites. The SA Social Media Landscape 2017 report indicates that YouTube, Twitter, LinkedIn and Instagram had 8.74 million users, 7.7 million users, 5.5 million users and 3.5 million users respectively in South Africa (World Wide Worx & Ornico 2017); the 2018 report lists 8 million Twitter users, 3.8 million Instagram users, and 6.1 million LinkedIn users (Patricios & Goldstuck 2018). This shows that these platforms are used by considerably fewer people compared to Facebook’s 16 million users. The reasons for this are not clear as, like Facebook, these platforms can also be accessed freely, and do not require special technology or special kinds of mobile phones. It is possible that customers may have difficulties with understanding and navigating around these platforms easily, that is, perhaps they are not as user-friendly as Facebook.



The perceived difficulty of using these sites was another reason mentioned by the participants for not incorporating them into their social marketing activities:

*“Social media sites such as Instagram, LinkedIn and Twitter are too advanced for me”* (Business 4)

Another participant suggested that the above mentioned social media sites need young people who understand these sites very fast:

*“Social media such as LinkedIn and Instagram may be good platforms...I think younger people are more involved on social media than older people”*  
(Business 1)

In summary, the findings (related to the social media platforms used by the businesses for social media marketing) reveal that the choice of specific sites appears to be influenced by factors such as the number of followers the site attracts (its reach), the extent to which the site is used by the businesses’ customers, the ease of use of the site, the cost of using the site (for both the businesses and their customers), as well as the age of the owner/manager.

#### **4.3.4 Content posted on social media platforms**

In response to the question about what kind of content the participants posted on their businesses’ social media sites, the participants responded as indicated in Table 4.3 below.

**Table 4.3: Content posted on social media**

<b>Content posted</b>	<b>Number of businesses</b>
Information	4
Photos	3
Advertisements	1

Participants indicated that they posted content on Facebook for various reasons. It appeared that participants mainly want to give their customers and potential customers information about the products they sell, or the services that they provide. The information posted can be news or updates about products/services offered, or related information intended to educate clients about products/services. Participants posted photos of products, which makes it

possible for followers on Facebook to view the products before deciding to purchase. Four participants indicated that they posted information announcements to their Facebook followers, while three participants mentioned that they posted photos. The participants mentioned the following:

*“I conscientise clients about the problems they may face with animals”*  
(Business 2)

*“We mainly post information about the houses we sell and also post photos”*  
(Business 1)

*“I post photos of equipment, new special and fitness exercises”* (Business 3)

*“We post photos of products....we also advertise our special offers such as hampers to our customers”* (Business 4)

In summary, the responses of the participants revealed that Facebook was mainly used to give information about the businesses' products and to post photos about their products, as seen in Table 4.3 above. Only one participant mentioned that he used Facebook to post advertisements, as it is cheaper than newspaper advertising.

#### **4.3.5 Person responsible for social media marketing in business**

All participants were from small businesses, with mainly three to 10 employees, so it was not surprising that the owner or the manager was mentioned as being responsible for updating the social media sites themselves. Only one participant (Business 6) mentioned that they have an administrator who updates their social media platforms regularly. Although the owner of Business 2 is responsible for social media marketing in his business, he also admitted that:

*“Businesses should hire special expertise to manage social media sites properly, as doing it yourself may not bring the desired results”.*

Nevertheless, despite his lack of social media expertise, the owner of Business 2 revealed that he prefers taking charge of his social media marketing himself. This is because he does not trust other people to do it for him, as his is a professional occupation and people who are not veterinarians may misrepresent his organisation. Managing his social media platform himself

therefore allowed him to retain complete control over what was posted on his site and removed the potential risk of posting incorrect information, which might have serious consequences for pets should their owners follow inaccurate advice about pet health.

The researcher noticed that none of the businesses outsourced or hired any expertise to their business to assist with social media marketing. This might be explained by the small sizes of the businesses and limited resources they may have.

#### **4.3.6 Frequency of posting on social media platforms**

When asked how often they post on social media, participants gave answers which were quite similar. Four of the participants mentioned that they posted on and updated their sites once a week. The other two mentioned that they posted once every two weeks. One of the participants acknowledged that *“Time is a bit of a problem”* (Business 2), and that he therefore fails to visit the business social media site more regularly.

All of the participants were managers/owners of the businesses. This can perhaps help to explain why they fail to update their social media sites regularly. Their tight schedules in terms of running the day to day activities of their businesses may prevent them from being able to devote more time to social media marketing. Morphitou and Demetriou (2014), however, state that organisations should fully commit their time and thoughts to being involved in social media marketing.

#### **4.3.7 Followers connected to social media sites**

To check on the existing/potential customer base of the businesses, the participants were asked about the number of followers who were connected to their social media sites. Their responses are summarised in Table 4.4.

**Table 4.4: Number of followers connected to the businesses' social media sites**

Business	Number of followers
1	100
2	287
3	160
4	200
5	2 500
6	300

The number of followers shown in Table 4.4 above reveals that the businesses are very small in terms of social media following, which is perhaps an indication that social media marketing has not yet been fully or effectively implemented.

However, having huge numbers of followers on social media does not necessarily mean the success of the business. As one of the participants mentioned, it sometimes happens that:

*“Some businesses get carried away by the huge client comments and think they are doing well, while the business is not”* (Business 4)

The above sentiment is shared by Pradiptarini (2011), who explained that most businesses are often misguided by relying on counting fans and followers as a measurement for social media success. However, those who may appear as followers of businesses on social media do not necessarily convert to customers. This actually poses a serious problem for businesses in terms of measuring the effectiveness of their social media efforts.

#### **4.3.8 Benefits of social media marketing**

The next segment of the interview explored the benefits of social media marketing for these small businesses. Participants were asked what benefits they have realised due to using social media marketing. The question aimed to ascertain whether these businesses' engagement with social media was benefiting them or not. Some of the participants responded as follows:

*“Business benefits, through social media, as we end up having a broader customer base. We also get quick responses to and from our customers”*  
(Business 1)

*“Social media cost less compared to newspaper advertising, radio advertising” (Business 1)*

*“Benefits to my business are not quite monetary....Facebook allows us to engage with customers regularly...People get to talk about our business and people recommend others to our business” (Business 2)*

Other participants believed that followers who take their time to give views and ask questions about the business’ products/services are easily converted to customers.

Four of the participants mentioned that their business’s financial turnover improved due to social media marketing, as they managed to reach out to many customers and this subsequently resulted in the financial improvement of their businesses. However, there was also an acknowledgement that using social media marketing is not necessarily a quick-fix solution for a business’s financial woes, as results may only be realised in the future. For example, Business 1 mentioned that:

*“Benefits in terms of money can be realised in the long-run”*

Social Exchange Theory asserts that people weigh the benefits and costs of being involved in a relationship. From the point of view of the participants in this study, four of them seem to agree that the benefits outweigh the costs of being in a relationship with their customers through social media marketing. However, two participants (Businesses 4 & 5) believed that the costs (such as exposing their strategies to competitors) outweigh the potential benefits. Nevertheless, this did not prevent them from also engaging in social media marketing.

Social Exchange Theory also highlights that participants exchange resources, which can be either tangible (such as money) or intangible (such as friendship). In the participant quotes provided earlier, the owner of Business 2 reveals that the benefits of engaging with customers on social media are not monetary but rather the fact that people talk about his business and increase his customer base (intangible benefit). However, this may in future lead to a tangible benefit, such as money, due to the increased sales resulting from a larger customer base.

Trust is another element which is important in Social Exchange Theory. Participants who engage in relationships only choose to become active participants if there is trust amongst the parties involved (Hamound 2016). From the findings, it was noted that fans/followers on

participants' Facebook sites complimented and/or shared information they got on the site, which suggests that they trusted the business and the products or services provided. Furthermore, Business 2 noted that people recommend the business to other potential customers. This can only be possible when customers trust the business and are satisfied with it.

To summarise, the benefits of social media marketing, as perceived by the participants, include extending the customer base, enabling engagement and quick communication with customers, reducing advertising costs, improving financial performance and facilitating positive word of mouth. The above-mentioned benefits which were raised by the participants are closely related to the benefits identified in the literature review, which are well documented by authors such as Neti (2011). As Sashi (2012) also put it, social media benefits businesses through creating better relationships with potential and existing customers.

#### **4.3.9 Measuring social media marketing**

A question was asked about how the participants measure the success of their businesses' social media marketing activities. Participants mentioned the following:

*"I measure the success through clients' comments and perceptions about our business. When clients talk about us in a positive way that shows us that we are successful. If clients can send messages such as "Thank you for the service you gave me", to us it is a success" (Business 2)*

*"It is a bit difficult to measure, but I think that the success is seen through the number of clients that I can reach to, and the improvement in my financial returns" (Business 3)*

*"I measure success through the complaints and compliments of my clients. If I receive few complaints, then I know my business is doing well" (Business 4)*

Two participants revealed that the measuring of social media marketing is a difficult task. Although the businesses tried to measure their success, they were not sure if they were using the right metrics. Participants indicated that it is difficult to measure, but they could try to check whether there are any sales or financial improvements in their business. Although the measuring of social media marketing is difficult, two participants (Businesses 2 and 4)

explained that they use clients' comments and perceptions about their businesses as an indicator of success. Literature agrees that the measuring of social media marketing is indeed difficult. Van Scheers (2016) explains that social media is relatively new ground and that many businesses accordingly find it difficult to measure results.

As can be seen above, the participants measure their social media marketing success using a variety of indicators, including the number of people reached, the impact on financial returns and the nature of the comments posted by clients. The metrics mentioned by the participants echo some of those provided by Sponder (2012). The author mentioned audience metrics, perception metrics, engagement metrics, content metrics, performance and demographics metrics. The use of compliments and complaints by participants resembles the perception metric of (Sponder 2012). The owner of Business 3 mentioned that he measured success through the number of people they can reach via social media, which relates to the audience metric given by Sponder 2012). However, participants revealed that they were only using two types of metrics, which may suggest that participants were not familiar with other metrics that could be used to measure social media marketing effectiveness. Ewing (2009) highlighted that the measuring of social media marketing remains a formidable challenge if business do not know the appropriate metrics to use.

In addition to the difficulty of measuring social media marketing outcomes, a number of other challenges exist in relation to the use of social media marketing in small businesses. This topic was explored next during the interviews.

#### **4.3.10 Challenges of social media marketing**

Participants brought up different challenges related to social media marketing, which were peculiar to their businesses. In other words, the challenges faced were different from one business to the next. Some of the participants had this to say as to the challenges that affected them:

*“Social media changes every day and it needs businesses to be on the look-out for such changes, and update their sites to match the new changes”*(Business 1)

*“Using social media alone may not reach out to all potential customers out there.....sadly, time to manage social media is also a challenge”* (Business 2)

*“The challenge of Facebook as a social media is that it appeals to the public, and competitors can easily get to know your strength and weaknesses”*

(Business 4)

From the first participant quote provided above, it is apparent that the business faces a challenge of keeping up with and adapting to ever changing social media technology, which requires businesses to constantly update their sites to match the changes. This is well documented in the literature by, for example, Rambe *et al.* (2015).

Another participant strongly believed that time was a great challenge to successfully implementing social media marketing. As mentioned earlier on by participants, they fail to update their sites regularly due to time constraints, as a result of the many responsibilities that owners/managers of small businesses need to juggle.

Two participants mentioned that using social media poses a challenge because it can expose their business strategy to their competitors. Their fears were based on failure to control social media sites, which can disadvantage their business. These businesses feared that they could actually lose clients through social media marketing. The participants who raised such concerns echo the views of Arca (2012), who also stated that social media sites offer the opportunity to spy on competition. Competitors would have a chance to watch and read closely what would be taking place on the businesses' social media sites, and then use this information to their own advantage.

Other participants noted that social media marketing cannot be used alone, as this would mean losing out on those clients who are 'anti' social media.

Network problems in some parts of Mkhondo were also highlighted as posing challenges to the use of social media marketing.

The challenges mentioned by participants seem to differ somewhat from those recorded in literature. Literature records lack of resources, poor management and marketing skills, technology incompatibility and the measuring of social media marketing as main challenges (Van Scheers 2016). Although these challenges were indeed represented in the data, the participants in this study additionally raised challenges such as network problems.



To summarise, participants raised the following challenges linked to social media marketing: keeping up with and adapting to rapidly changing social media technology, time constraints, integrating social media marketing with other marketing efforts, network problems and exposing their business to competitors.

#### **4.3.11 Solutions to challenges posed by social media marketing**

The researcher deduced two main solutions from the participants' responses about how they could mitigate the challenges of social media marketing. These solutions were integration of social media marketing with other marketing strategies, and improving human skills through constant learning.

Participants noted that managers using social media for marketing purposes need to engage in constant learning of new technology.

*“Social media sites such as LinkedIn and Instagram may be good platforms but we do not know how to use them, therefore we need to learn on new things and technology”* (Business 4)

Another participant also mentioned that businesses should:

*“...keep up to date with new technology, through constant learning”*  
(Business 1)

Participants also mentioned that businesses have to be proactive and be a step ahead of their competitors through active learning on how to use technology for social media marketing.

The solution to the challenges in terms of integrating social media with other marketing strategies was mentioned by three businesses. They believed that social media marketing should be complemented by other marketing strategies. A participant mentioned the following:

*“Do not use Facebook alone or social media. One should try and incorporate the old traditional methods of marketing so as to reach out to many people”*  
(Business 2)

To overcome the challenges, another participant additionally suggested that managers/owners of small businesses should hire experts who know how to implement social media marketing correctly. This topic was discussed further in the next segment of the interviews.

To summarise the findings related to proposed solutions to social media challenges, the participants indicated that businesses should: be flexible and willing to learn how to use new social media sites; integrate social media with other communication tools; hire special expertise to manage their social media accounts; and, lastly, be pro-active to keep abreast of the changes on social media.

#### **4.3.12 Strategies for avoiding social media marketing pitfalls**

With regard to possible strategies for avoiding social media marketing pitfalls, participants believed that outsourcing expertise could help them implement social media marketing effectively. They also made other suggestions in this regard, as indicated in the following quotes:

*“Businesses should hire special expertise to manage social media sites properly, doing it yourself without proper knowledge may not bring the desired results” (Business 2)*

*“Businesses should not treat social media as a platform to meet friends but once a business is on social media, it needs to build the business profile and improve content to attract many clients” (Business 5)*

*“Using only one social media site is a mistake, because not everyone is on that site. Because should try to use various social media sites in order to meet different clients” (Business 6)*

The researcher deduced that businesses may sometimes choose social media sites which their potential customers do not use, based on the business owner/manager's own interests. However, businesses should instead choose platforms where they can best interact, share posts, answer questions and share articles with existing and potential customers.

To summarise, proposed strategies for avoiding the social media marketing pitfalls, as perceived by participants, include: avoiding managing a social media site without proper

knowledge; avoiding using a business social media platform as a platform for meeting friends; and, finally, avoiding using just one social media site for marketing one's business, but rather trying to use various sites in conjunction.

Having presented the findings based on a thematic analysis of the interview data, the following section proceeds to present the findings based on a content analysis of the participating businesses' social media sites.

#### **4.4 Findings from an analysis of the participants' social media sites**

As indicated in Section 4.3.3, all of the participating businesses indicated that they use Facebook for social media marketing, and only two indicated that they additionally use WhatsApp for this purpose. The researcher therefore analysed all participants' Facebook sites as a basis for the findings in this section. Participants used their Facebook sites to enhance communication and marketing strategies for their businesses. The researcher checked the following variables to analyse the social media sites: audience size, content, engagement and perception of the business by their customers. The template used for the analysis (see Appendix B) is consistent with Sponder's (2012) metrics of measuring social media marketing.

Table 4.5 presents a summary of the findings resulting from this analysis. The findings are discussed thereafter.

**Table 4.5: Analysis of participants' Facebook sites**

<b>Business; date of analysis</b>	<b>Audience size</b>	<b>Content (nature/frequency)</b>	<b>Engagement (nature/frequency)</b>	<b>Perceptions (nature)</b>
Business 1  04/12/2017	100+	Photos Information  Once a week	Public Direct to potential customers Questions Answers to questions asked  Frequency - low (fewer than 50 engagements per week)	Positive comments from fans.
Business 2  13/12/2017	287	Photos Information  Once a week	Public Direct to fans Questions Answers to questions asked  Frequency –moderate (more than 50 engagements per week)	Positive comments
Business 3  17/12/2017	160+	Photos  Once a week	Questions Answers to questions asked Likes Shares  Frequency – low	Positive comments
Business 4  05/01/2018	200+	Photos Adverts  Twice a month	Public Questions Answers to questions Likes Shares  Frequency - very low (fewer than 20 engagements per week)	Positive comments  Complaints
Business 5  20/01/2018	2500+	Information  Twice a month	Public Direct  Frequency - moderate	Positive comments
Business 6  22/01/2018	300+	Information Once a week	Public Direct to students  Frequency – moderate	Positive comments  Complaints

## **Audience**

Analysis of the ‘audience’ focused on the size of the audience, which was measured by the researcher.

From the participants’ social media sites, the researcher noticed that all the six businesses showed quite low numbers of followers, which range from 300 to 2500 followers. The audience size could be determined quite simply, by looking at the number of followers, which is specified on the site. Some of the followers engage with the businesses through ‘likes’, ‘shares’ and comments. The low numbers in terms of audience size is evidence that the businesses are still small or it may suggest that the businesses have not been using social media marketing for very long and/or to best effect.

Although it is possible to determine audience size from the sites, the characteristics of the audience could not be verified through analysis of the social media sites.

## **Content**

Analysis of ‘content’ focused on the frequency and nature of content posted by the businesses to their fans and vice versa.

The researcher deduced that content posted by the businesses varied from business to business and also depended on the nature of the business. For example, Business 1 posted photos of houses on sale in Piet Retief. Fans and prospective customers would comment on the houses, for example: “*Wow! Beautiful houses...*”. Some fans would want to know the details about the houses and the business would provide more information about the houses. More details and information was provided to those fans who showed interest in the houses, and the engagement then became more direct and specific to that particular fan. The content is subsequently sometimes shared by fans with their friends.

Businesses posted topical information to their fans. For example, Business 2 posted information about dog vaccinations, as there was a suspected outbreak of rabies at the time. Fans would respond by thanking the veterinary doctor about the information. This kind of content is shared to provide customers with information about the businesses’ products/services and also to improve interaction between the business and the customers. It

was also noticed that frequency of posting content was low, as few videos/images and text posts were posted on the site generally once per week or per fortnight.

The 'likes' indicated that audience enjoyed the content posts, although the audience did not create something of their own (such as a comment or response). To 'like' a post was a sign that the audience affirmed that they have noticed the post. Most businesses showed a low number of these affirmations. The 'shares', on the other hand, were used to spread the businesses' content, which indicated that the content posted by the participants resonated well with the audience. Business 5 had quite a high number of 'shares' on most of their posts, compared to the other participants.

## **Engagement**

Analysis of 'engagement' focused on the frequency and nature of engagement between the businesses and their followers on Facebook.

Engagement appeared to be very low. This may be because the businesses seemed to fail to frequently post on their Facebook sites; it is possible that more frequent posts may serve as a stimulus for more engagement. The engagement which was apparent on the sites was either public or direct. Most engagement was public, where businesses posted to the general public. In the engagement, dialogues are developed between the businesses and their followers. This was done in the form of information and adverts posted by the business to the public, and comments/responses by the audience. Direct engagement (which refers to posts that would be directed towards a specific member of the business) was very low. Such specific/personal engagements were only noticed when customers asked questions of a specific member of the business.

Customers' engagement was shown in three different ways: when they liked a post, shared a post and commented on a post. For example, Business 5 put an announcement on their Facebook page, advising their fans about closing dates of online applications for various universities in South Africa. The fans who liked the post numbered around 900 and the post was shared 12 times.

Businesses 2, 5 and 6 showed a moderate level of engagement by their fans, which is an indicator that these businesses' social media content interests the consumers. The number of likes on Business 5's announcement was an indication that fans and customers paid attention

to the post. The number of shares shows that fans are recommending the information and/or business to other people.

## **Perceptions**

Analysis of ‘perceptions’ focused on the nature of the public’s perceptions of the businesses, that is, whether the comments posted by the public were positive (e.g. compliments) or negative (e.g. complaints) in nature.

Followers who posted to the businesses’ Facebook pages indicated through their comments how they viewed the business.

*“This On-line application was giving me a headache. Thank you for your help, brother”* (Business 5 site)

*“Thank you for coming to rescue of my dog. I appreciate your service”* (Business 2 site)

Only a few complaints were noticed, on two of the businesses’ Facebook sites, where clients would complain about a product/service. For example:

*“Please reduce your salt content in you boerewors you are exposing us to high blood pressure”* (Business 4)

*“We are not happy about the Maths educator. Please help us by giving us another dedicated teacher”* (Business 6)

These were typical complaints found on the sites. One participant acknowledged in the interview that he used compliments and complaints to measure the success of his business.

In summary, with regards to a comparison of the data from the interviews and Facebook sites of the participants, the researcher did not notice any discrepancies between the two. The sites echoed what was already alluded to by the participants in the interviews.

## **4.5 Conclusion**

Upon analysis of the interviews and the participants' social media sites, it was revealed that Facebook was the only social media site which the businesses felt they could comfortably use for social media marketing without any difficulties. However, it is also apparent that the businesses are not yet using Facebook adequately or to its full potential for marketing purposes. Based on the participants' responses, it appears that social media is changing the way these businesses relate to their customers as it improves their communication and marketing strategies. Challenges such as lack of expertise in social media marketing, and failing to measure the success of social media marketing efforts, hinder the businesses from achieving their desired results. Participants highlighted that through constant learning, technology can improve their social media adoption.

The chapter that follows will give a conclusion to the research as well as provide recommendations to small businesses and suggestions for future study.



## CHAPTER 5: CONCLUSIONS

### 5.1 Introduction

The main thrust of this research was to ascertain the role played by social media marketing in small businesses in eMkhondo. Specifically, the researcher set out to achieve the following objectives:

- To ascertain to what extent small business in eMkhondo utilise social media marketing.
- To explore the benefits and contribution made by social media marketing to these small businesses.
- To examine the challenges faced by these small businesses in eMkhondo in implementing social media marketing.

To address the research questions, interviews were conducted with the managers/owners of six small businesses in eMkhondo, to get in-depth knowledge of their perceptions of the role of social media marketing in their businesses. This chapter presents conclusions and recommendations on how social media can successfully be used by small businesses in South Africa, based on the findings of the study. Limitations of the study are noted and areas which warrant further research are identified.

### 5.2 Findings in relation to the research objectives

This section considers the study's findings in relation to each of the research objectives.

**Objective 1:** *To ascertain to what extent small businesses in eMkhondo utilise social media marketing.*

Participants who were interviewed acknowledged that they do not have the knowledge and time to fully engage in social media marketing activities. The interviews revealed that all participants were engaged in social media marketing via Facebook only, despite the numerous social media sites available. This is one indicator that social media utilisation is still very low amongst small businesses in eMkhondo. This finding is line with previous research in other areas (such as that of Lekhanya 2013), which found that there is low utilisation of social media marketing by small businesses, due to factors such as lack of knowledge on how to implement social media marketing.

Another factor which contributes to low adoption of social media marketing by the small businesses in this study is the participants' perceptions of social media. Some participants showed that they lack trust in social media, and therefore doubt the usefulness of social media marketing. These participants revealed that they are not yet ready to part ways with traditional methods of marketing such as flyers, newspapers and radio, in favour of social media marketing. They have not yet embraced social media, and still doubt the effectiveness of social media, particularly as this is difficult to measure. There is therefore a need for owners/managers of businesses to change their mindset and perceptions about social media in order to fully embrace the potential benefits of social media marketing.

**Objective 2:** *To explore the benefits and contribution made by social media marketing to small businesses in eMkhondo.*

In the interviews, the participants acknowledged that social media marketing benefits their businesses. The findings of the primary research concur with the literature, as participants indicated similar benefits and contribution of social media marketing in their businesses to those identified in literature.

The participants mentioned the following perceived benefits of social media marketing:

- Social media marketing helps businesses to increase their customer base. Participants indicated that the number of fans who visit their Facebook sites has increased, and they hoped that these fans could be converted to customers. Some indicated that their Facebook pages are now buzzing with new fans and the numbers had increased steadily.
- Businesses' financial turnover improves due to social media marketing. Participants acknowledged that their sales are improving due to their marketing activities on Facebook. This has actually improved the finances of the business.
- Social media marketing provides a platform for communication between the business and its customers. Participants indicated that Facebook provides a communication platform where they get quick responses to and from their customers. They mentioned that their communication had improved greatly due to social media. Facebook has allowed their businesses to engage their customers on a regular basis, and people also get to talk about their businesses through social media. This resulted in existing customers recommending other people to their businesses.

- Social media marketing is cheaper compared to more traditional forms of advertising, such as radio and newspaper advertising. Businesses are able to post information on social media sites at very little cost. Businesses acknowledged that the use of social media had saved them much money, which would have been used for newspaper or radio advertising. With social media, costs of advertising have been minimal.
- Businesses benefit from social media marketing through better relationships forged between the business and its customers. The benefits are actually tangible and intangible in nature. Prospective customers and fans begin to talk about the businesses and refer other fans to the business (intangible benefit); the businesses' sales and finances may improve as a result (tangible benefit).

The literature review (Chapter Two) has also shown the immense contribution and benefits of social media marketing. Neti (2011) highlighted the benefits of social media marketing, which range from simple improvement in the number of customers to huge realisation of improvement in ROI. Sashi (2012) explained that the benefits of social media marketing help small businesses to compete effectively with large organisations. Social media marketing is revealed by literature as a platform for businesses to interact with their customers and showcase their products to a wide range of people. The findings in this study reinforce those reported in the literature.

**Objective 3:** *To examine the challenges faced by small businesses in eMkhondo in implementing social media marketing.*

Participants' responses regarding the challenges they face when they try to implement social media marketing in their businesses also largely concurred with the challenges previously identified in literature. Major challenges which were mentioned included time constraints, which prevented regular updating of their social media sites. Participants highlighted that they were often both owners and managers of their small businesses; hence, they did not have sufficient time to devote to social media activities, because of their many other responsibilities in the business.

Technology-related knowledge and skills was also a major challenge for participants. They acknowledged that social media sites such as Twitter, Instagram and YouTube were good, but that they did not possess the necessary skills to utilise them effectively. The businesses lacked technological knowledge on how to conduct business via social media.

Participants mentioned that using social media alone for marketing a business was a challenge, as they could not meet all potential customers on social media. They believed that businesses should use social media alongside other marketing tools, in order to meet those customers who may be “anti-social media”.

Measuring the effectiveness of social media marketing was highlighted by participants as a challenge. Participants showed that they did not know which types of metrics should be used. Only two metrics were mentioned, which were perception metrics (compliments and complaints) and audience metrics (number of potential customers reached). A number of other metrics have been highlighted in literature but participants showed little knowledge about these additional metrics, and whether they may be appropriate metrics to use in their businesses.

Participants highlighted that the use of social media, particularly Facebook, appeals to the public, which exposes their strengths and weaknesses to their competitors. Therefore, some businesses were sceptical about the usefulness of social media sites and hence lacked confidence in adopting social media technology. Social media is a new strategy which is not very popular with small businesses compared to large organisations. Literature, for example, Van Scheers (2016) highlighted the challenges of implementing social media marketing which included lack of resources, poor management and marketing skills, poor training and development and difficulty in measuring effectiveness of social media marketing .

### **5.3 Recommendations for small businesses**

Based on the findings of the study, the researcher recommends the following to small businesses planning to engage in social media marketing:

- Have a strategy when beginning to implement social media marketing that is aligned to the business objectives. Business may incorporate social media marketing to increase their sales, to increase their customer base or to improve their financial position. These objectives should be considered before a social media plan is taken.
- Hire social media experts to help achieve desired results. While businesses may save money by monitoring and being in charge of their own social media accounts, hiring a social media expert would make their social media marketing more successful.
- Use different social media sites, so that you cater for different consumers. Avoid using just one social media site - for example, using only Facebook. Marketers should learn to use as many social media sites as possible, such as Twitter, YouTube,

Instagram and LinkedIn, because potential customers are found on these different social media sites. When using one site, business may not meet all possible customers. Those responsible for social media marketing in small businesses should be flexible to learn new social media sites and understand how they operate, for them to be fully involved in this new social media phenomenon and increase social media marketing efforts.

- Once a business has adopted social media marketing, those responsible for this need to devote sufficient time to it and be active participants in social media to enhance effective communication between the businesses and customers. This would assist in relationship-building.
- Lastly, small businesses should endeavor to measure the effectiveness of their social media marketing efforts, in order to prove its effectiveness and account for finances put aside for marketing. When correct metrics are used to measure the effectiveness of social media, marketers will be in a position to account for their marketing budgets.

#### **5.4 Recommendations for further research**

The researcher also recommends the following to future researchers.

- Use broader samples, as findings based on smaller samples may not be generalised to represent the views of all small business about social media marketing.
- Research could involve a comparative study where some small businesses use social media and others do not use social media for marketing. A comparison can be used to determine which businesses are more successful, and to explore the relationship between social media marketing and business success.
- Further research should investigate how to successfully manage and capitalise on business opportunities presented in various social media platforms. Marketers need more information and knowledge about marketing their businesses and products through different social media sites.
- Research could focus on addressing the social media marketing challenges experienced by small businesses in more detail, and how the challenges can be mitigated.

#### **5.5 Limitations of the study**

The main limitation of the study is related to sample size. The sample size was limited by the lack of funds and time to cover a large sample of small businesses. Only owners/managers of

six small businesses were interviewed. However, as outlined earlier, this sample size was appropriate given the nature and objectives of this exploratory study.

The research also lacked comparison between businesses using social media marketing and those not using social media marketing. With such comparison, the study would be able to further explore the extent to which social media marketing is effective or not for small businesses.

## **5.6 Contribution**

The research provided insight into the use of social media for marketing purposes by small businesses in eMkhondo, South Africa. Previous research suggests that the use of social media for marketing purposes by small businesses in South Africa is very low (Lekhanya 2013). Therefore, the study contributed towards an understanding of the use and potential impact of social media marketing for small businesses.

The study is also of significance to organisations that are still growing with regard to adopting social media marketing. The study provides a basis for further studies in social media marketing in South African small business context.

## **5.7 Conclusion**

The study looked at the role of social media marketing in small businesses in eMkhondo. The role of social media, as perceived by the participants, was as follows:

- Increase interaction with customers
- Improve relationships (through handling customers questions and complaints)
- Provide customers with relevant information about the business's products/services
- Increase the business's customer base.

Literature revealed that social media marketing is a powerful communication tool, if used effectively by businesses. Social media is still regarded as a relatively new communication strategy, and small businesses are slowly adopting it, although some are still reluctant to embrace this new strategy. This study concluded that some small businesses are still quite sceptical to adopt social media marketing fully. Small businesses also lack resources and time to fully embrace social media marketing.

The researcher recommends that small businesses should be flexible to learn new technologies in order to embrace social media marketing. Businesses need to outsource from experts so that they learn new technologies, in order to keep abreast with changes in social media usage. The researcher concludes that small businesses face challenges when implementing social media. However, the challenges are outweighed by the benefits/opportunities that social media presents to businesses. Findings revealed that social media marketing gives great potential to reach out to a large customer base.

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## **APPENDIX A**

### **INTERVIEW GUIDE**

#### **Introductory/Background questions**

- Please tell me about your business, e.g. type of business, number of employees, how long you have been in business, and so on.
- What sort of marketing do you do for your business?
- What proportion of your marketing does social media marketing account for?

#### **1. Use of social media marketing**

- Which social media sites/platforms do you use to market your business?
- Which site/platform do you use most?
- Why do you mainly use that platform for marketing your business?
- What do you primarily use this social media site for (purpose)?
- Which social media platform (site) are you best at using?
- What kind of content do you post to your customers via social media.
- How many customers are connected to your social media site?

#### **2. Benefits of social media marketing**

- How does social media marketing benefit your business?
- Can you enumerate/quantify the kind of benefits you have realized through social media marketing?
- How else do you measure the success of your business through social media?

#### **3. Challenges of Social media marketing**

- What challenges have you experienced in using social media as a marketing strategy?
- How do you deal with (or how have you overcome) these challenges? Please elaborate.
- What do you think are some common social media marketing mistakes businesses make?

## APPENDIX B

### TEMPLATE FOR ANALYSING SOCIAL MEDIA SITES

**Business:** \_\_\_\_\_

**Date of data collection:** \_\_\_\_\_

<b>Social media site/ platform</b>	<b>Platform 1: (insert name)</b>	<b>Platform 2: (insert name)</b>	<b>Platform 3 (insert name)</b>
<b>Audience</b> (e.g. size; characteristics )			
<b>Content</b> (e.g. frequency of business posts; nature of posts; response to posts)			
<b>Engagement</b> (e.g. frequency of engagement; nature of engagement; sharing)			
<b>Perception</b> (e.g. nature)			

## APPENDIX C

### INFORMED CONSENT FORM

UNIVERSITY OF KWAZULU-NATAL  
School of Management, IT and Governance

Dear Respondent,

#### Research Project

**Researcher:** [Ileck Moyo] (Telephone: 0792957381) (mail: ileckmoyo@gmail.com)]

**Supervisor:** [Dr Aradhna Arbee] (Telephone: 0312603159)] (Email: Arbee@ukzn.ac.za)]

**Research Office:** Humanities & Social Sciences Research Ethics Administration, Govan Mbeki  
Building, Westville Campus, Tel: + 27 (0)31 260 8350, Email: [hssreclms@ukzn.ac.za](mailto:hssreclms@ukzn.ac.za)

I, [Ileck Moyo, I am an MCom Marketing Management student in the School of Management, Information Technology and Governance, at the University of KwaZulu-Natal. You are invited to participate in a research project entitled *The Role of Social Media Marketing in small business environment in eMkhondo*. The aim of this study is to explore the usage, benefits and challenges of social media marketing among small businesses in eMkhondo.

Your participation in this project is voluntary. You may refuse to participate or withdraw from the project at any time with no negative consequence. There will be no monetary gain from participating in this research project. Confidentiality and anonymity of records will be maintained by the researcher and the School of Management, Information, Technology and Governance, UKZN. All collected data will be used solely for research purposes and will be destroyed after 5 years.

This study has been ethically reviewed and approved by the UKZN Humanities and Social Sciences Research Ethics Committee (approval number HSS/0843/017M)

The interview should take about 40-60 minutes to complete. Thank you for your time.

Sincerely

Researcher's signature \_\_\_\_\_ Date \_\_\_\_\_

*This page is to be retained by participant*

**UNIVERSITY OF KWAZULU-NATAL**  
**School of Management, IT and Governance**

**Research Project**

**Researcher:** [Ileck Moyo (Telephone: 0792957381 (Email: [ileckmoyo@gmail.com](mailto:ileckmoyo@gmail.com))

**Supervisor:** [Dr Aradhna Arbee] (Telephone: 0312603159 (Email: [Arbee@ukzn.ac.za](mailto:Arbee@ukzn.ac.za))

Research Office: **Humanities & Social Sciences Research Ethics Administration, Govan Mbeki**

**Building, Westville Campus, Tel: 27 31 2604557, Email: [HSSREC@ukzn.ac.za](mailto:HSSREC@ukzn.ac.za)**

**CONSENT**

I \_\_\_\_\_ (full names of participant) hereby confirm that I understand the contents of this document and the nature of the research project, and I consent to participating in the research project. I understand that I am at liberty to withdraw from the project at any time, should I so desire.

Additional consent, where applicable

I hereby provide consent to:

Audio-record my interview / focus group discussion                      YES / NO

\_\_\_\_\_  
Signature of Participant

\_\_\_\_\_  
Date

*This page is to be retained by researcher*



## APPENDIX D

### ETHICAL CLEARANCE APPROVAL LETTER



10 July 2017

Mrs Ileck Moyo (216057862)  
School of Management, IT & Governance  
Pietermaritzburg Campus

Dear Mrs Moyo,

Protocol reference number: HSS/0843/017M

Project title: The role of social media marketing in the small business environment in eMkhondo

#### Approval Notification – Expedited Application

In response to your application received on 20 June 2017, the Humanities & Social Sciences Research Ethics Committee has considered the abovementioned application and the protocol has been granted **FULL APPROVAL**.

Any alteration/s to the approved research protocol i.e. Questionnaire/Interview Schedule, Informed Consent Form, Title of the Project, Location of the Study, Research Approach and Methods must be reviewed and approved through the amendment/modification prior to its implementation. In case you have further queries, please quote the above reference number.

**PLEASE NOTE:** Research data should be securely stored in the discipline/department for a period of 5 years.

The ethical clearance certificate is only valid for a period of 3 years from the date of issue. Thereafter Recertification must be applied for on an annual basis.

I take this opportunity of wishing you everything of the best with your study.

Yours faithfully

Dr Shenuka Singh (Chair)

/ms

Cc Supervisor: Dr Aradhna Arbee  
Cc Academic Leader Research: Professor Debbie Vigar-Ellis  
Cc School Administrator: Ms Debbie Cunynghame

Humanities & Social Sciences Research Ethics Committee  
Dr Shenuka Singh (Chair)

Westville Campus, Govan Mbeki Building

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Founding Campuses: Edgewood Howard College Medical School Pietermaritzburg Westville